

## OLYMPIA ARMORY CREATIVE CAMPUS - LEASE AGREEMENT

This LEASE AGREEMENT, dated \_\_\_\_\_, hereinafter referred to as “the Lease” is made and entered into between the City of Olympia, Lessor, a Washington municipal corporation whose address is 601 4<sup>th</sup> Ave E hereinafter referred to as “the City”, and the \_\_\_\_\_ (e.g., *Emerald City Music*), Lessee, a \_\_\_\_\_ (e.g., *a Washington non-profit corporation*), hereinafter referred to as “the Organization,” collectively hereinafter referred to as “Parties”.

WITNESSETH:

**WHEREAS**, the CITY is owner of certain real property known as Olympia Armory Creative Campus, hereinafter referred to as “the Campus” located at 515 Eastside St. SE, Olympia, WA 98506; and

**WHEREAS**, the CITY has chosen a collaborative partnership model in which the City will lease space in the Armory to “Armory Campus Anchor Partners” (hereafter “Anchor Partner(s)” who agree to work with the City to provide programming as a collective Armory Creative Campus to serve the greater community; and

**WHEREAS**, an Anchor Partner is defined as community arts non-profit entities who rent space at the Campus and, from to the Campus, will continue their mission to provide accessible art education, skill building, equipment, and resources for community arts development at an affordable rate; and

**WHEREAS**, Anchor Partners will work together to develop the Partnership Agreement to facilitate the goals of the City and Anchor Partners (see Exhibit B); and

**WHEREAS**, the Organization is qualified and has been selected by the City to be an Anchor Partner and

**WHEREAS**, the Organization will utilize the premises subject to the Lease for mission driven activities, programs and work; and

**WHEREAS**, the City and Organization deem it to be in the best public interest to enter into the Lease;

**NOW, THEREFORE**, in consideration of the terms, conditions, covenants, and performances contained herein, **IT IS MUTUALLY AGREED AS FOLLOWS:**

All recitals are incorporated into the Lease by reference.

- 1. LEASED PREMISES.** The City hereby leases to the Organization rooms \_\_\_\_ and parking spots \_\_\_\_ located at 515 Eastside St. SE, Olympia, WA 98506 (Thurston County parcel number 78204900000), the leased portion is hereinafter referred to as “the Premises” and is depicted as outlined on the map in **Exhibit A**. The entire property is hereinafter referred to as “the Campus.”
- 2. TERM.** This Lease is effective for a period of **five years**, effective upon the date of the

last authorizing signature below (which is the “Effective Date”) and ending \_\_\_\_\_.

The Lease will be reviewed prior to its expiration and a new lease may be agreed upon prior to the termination of the existing lease.

- 3. LEASE RATE.** The Organization shall pay rent to the City for the Premises during the initial Term of the Lease at the following rate:

\$ \_\_\_\_\_ per month for the first \_\_\_\_ years

- *This is based on fair market value with the following formula: \$1.15 per sf per month for dedicated office space; \$.90 per sf per month for classrooms and art workshop space. This includes utilities unless there is a potential high demand for utility use. If programming requires intensive utility use, a metering system will be installed to measure individual utility use for additional billing. Some heavy use appliances (for example glass furnaces or ceramics kilns) may be subject to additional energy usage fee that will be measured by a submeter. Expense for the installation of additional metering systems will be the responsibility of the Organization.*

*After the first 2 years, the City retains the right to increase the rental rate to fit within current market rates but will not increase more than 5% per year.*

- 4. ADDITIONAL FEES.** The Organization is required to pay a refundable Damage Deposit fee to fully reimburse the City for any potential damages to the Premises during the Lease. The Damage Deposit fee will total three (3) months of rent and will be due by the Organization at the time the leased is signed. The Damage Deposit fee will be held by the City in an account bearing interest to be collected by the City and such principle amount will be refunded to the Organization within 60 days after termination of the Lease upon inspection of the Premises, provided the Organization adheres to the policies referenced in the Lease and there has been no damage to the Premises, reasonable wear and tear excepted.

The Organization will be given **ten free hours** to reserve shared rooms at the Armory per year and any additional reservations of those shared spaces will be subject to regular rates. If additional staffing from the City is required for events (or outside of regular operating hours), the Organization will pay a set hourly rate for those staff.

**Cost Sharing:** If multiple organizations agree to share the rate responsibility for one room/space, they may agree to independently coordinate use of space, shared resources and scheduling independent of this contract.

- 5. PAYMENT.** The Organization will be billed monthly by the City.
- 6. ACCEPTANCE OF THE PREMISES.** The Organization has examined the Premises and accepts it in its present condition. There are no warranties express or implied as to

condition apparent or unknown except as otherwise stated in the Lease.

- 7. USE OF THE PREMISES.** The Organization may use the Premises only as aligned with the Armory Partnership Agreement (draft Goals in **Exhibit B**, which may be adapted into the future to accommodate revised goals, at the discretion of the City)

Other terms of Use include:

- a. Purpose  
The Organization may not use the Premises for any other purpose than identified within this Lease, and in accordance with City policies and procedures.
- b. Internet  
Public Wi-Fi is available to guests of the Campus. If additional internet is needed, the Organization will provide its own.
- c. Keys  
The City will provide keys and/or FOB to the Organization that provides access to the Premises. The City does not authorize any copying of keys. Replacement keys/FOB will be provided by the City at the cost of \$5 each. The Organization will return the keys at the conclusion of the Lease.
- d. Furniture  
The Organization will provide, at its own expense, all furniture necessary for its use of the Premises.
- e. Open Flame  
The use of pyrotechnics, open flames or other combustible materials within the Premises and the Campus is strictly prohibited. If open flames are required for certain programming, prior approval of the City is required and will only be allowed in designated areas suitable for this use. Additional insurance may be required, at the discretion of the City.
- f. Weapons  
Weapons of any type are not allowed in the Campus or the Premises by Lessees. However, to the extent the public is invited onto the Campus, Washington law does not allow the City from to prohibit concealed carry firearms in the Armory. The public is prohibited from carrying other weapons onto the Campus.
- g. Food and Catering  
The Organization will adhere to all City, County and State policies and procedures for catering/food vendors.
- h. Liquor  
Liquor The Organization shall not sell, serve or allow alcoholic beverages of any kind to be sold, brought into or served upon the Premises or the Campus except

for pre-approved events as permitted by the City and in accordance with all applicable laws. Requests by the Organization to serve alcohol for approved events requires additional fees, permits, and a minimum of 75-day notice to the City.

i. Tobacco and Drugs

Tobacco and drug use of any kind is prohibited on the Premises or on the Campus.

j. Advertising

All promotions must use the Armory style guide and brand when identifying the building. If any collaborative programming occurs with City staff and funding, additional style requirements may be required. Please refer to the Premises with the full name of the Campus, "Olympia Armory Creative Campus," when making references.

k. Broadcasting

All broadcasts, telecasts, recordings, etc. produced on the Premises and the Campus must have prior written consent from the participants and the City. The Organization is responsible for all equipment necessary for approved broadcasts.

l. Armory Partnership Goals

Anchor Partners commit to compliance the Armory Partnership Agreement (see Exhibit B). Anchor Partners will be required to participate in providing feedback regarding how the Partnership Agreement might be adapted to serve Armory Partnership Goals as the programs progress.

m. In the interest of public access and benefit, Anchor Partners will each provide 1 free class for the community each month and will conduct a minimum of 10 staffed open studio hours per week for community use by the hour. Alternative to the 10 staffed open studio hours, an Anchor Partner may choose to negotiate a license or use agreement with other organizations to provide additional educational content. (note for alternative: requires City pre-approval and may require separate insurance).

## **8. MONTHLY ADVISORY GROUP PARTICIPATION.**

The Organization agrees to participate in a monthly advisory group, which will work together toward:

- Adapting the Armory Partnership Agreement over time;
- Making sure that the Armory remains a safe, affordable space;
- Ensuring community opportunities are maintained;
- Helping to establish and maintain the Armory Creative Campus model operations;
- Pursuit of grant and funding opportunities for the improvement of the Armory.

## **9. REPORTING**

Annually, Anchor Partners will report to City Staff on the following:

- Narrative description of how the Organization's programming has aligned with the mission and vision of the Armory;
- Program information: Titles, number of programs, descriptions;
- Organization and audience demographics: Number of participants, demographics if possible;
- Partnerships and Collaborations;
- Narrative of future annual goals for the Organization.

**10. ASSIGNMENT/SUBLEASE.** The Organization may not assign or transfer the Lease or any interest created in the Lease, nor sublet the whole or any part of the Premises, nor is the Lease or any interest created in the Lease assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the advance written consent of the City.

**11. UTILITIES AND SERVICES.** All utility services to the Premises and the Campus, except for any additional Internet services requested by the Organization, shall be provided by the City. This includes all basic sewer, water, gas, public Wi-Fi, and waste. If programming requires intensive utility use, a metering system will be installed to measure individual utility use for billing purposes. Some heavy use appliances (for example glass furnaces or ceramics kilns) may be subject to additional energy usage fee that will be measured by a submeter. Any expense for the installation of additional metering systems will be the responsibility of the Organization.

## **12. INDEMNIFICATION/LIABILITY INSURANCE.**

Indemnification / Hold Harmless

Lessee shall defend, indemnify, and hold harmless the City, its officers, officials, employees and volunteers from and against any and all claims, suits, actions, or liabilities for injury or death of any person, or for loss or damage to property, which arises out of Lessee's use of Premises, or from the conduct of Lessee's business, or from any activity, work or thing done, permitted, or suffered by Lessee in or about the Premises, except only such injury or damage as shall have been occasioned by the sole negligence of the City. It is further specifically and expressly understood that the indemnification provided herein constitutes the Lessee's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated and agreed to by the Lessee and City. The provisions of this section shall survive the expiration or termination of this Lease.

A. Insurance Term

The Lessee shall procure and maintain for the duration of the Lease, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the Lessee's operation and use of the leased Premises.

B. No Limitation

The Lessee's maintenance of insurance as required by the Lease shall not be construed to limit the liability of the Lessee to the coverage provided by such insurance, or otherwise limit the Public Entity's recourse to any remedy available at law or in equity.

C. Minimum Scope of Insurance

The Lessee shall obtain insurance of the types and coverage described below:

1. Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The Public Entity shall be named as additional an insured on Lessee's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessors of Premises Form CG 20 11 or a substitute endorsement providing at least as broad coverage.

2. Property insurance shall be written on an all risk basis.

A. Minimum Amounts of Insurance

The Lessee shall maintain the following insurance limits:

1. Commercial General Liability insurance shall be written with limits no less than \$2,000,000 each occurrence, \$2,000,000 general aggregate.

2. Property insurance shall be written covering the full value of Lessee's property and improvements with no coinsurance provisions.

B. Other Insurance Provisions

The Lessee's Commercial General Liability insurance policy or policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Lessee's insurance and shall not contribute with it.

C. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.

D. Verification of Coverage

The Lessee shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Lessee.

E. Waiver of Subrogation

Lessee and City hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the Premises or said building. This release shall apply only to the extent that such claim, loss or liability is covered by insurance.

F. City's Property Insurance

The City shall purchase and maintain during the term of the Lease all-risk property insurance covering the Building for its full replacement value without any coinsurance provisions.

G. Notice of Cancellation

The Lessee shall provide the City with written notice of any policy cancellation within two business days of their receipt of such notice.

H. Failure to Maintain Insurance

Failure on the part of the Lessee to maintain the insurance as required shall constitute a material breach of Lease, upon which the City may, after giving five business days notice to the Lessee to correct the breach, terminate the Lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand.

I. City Full Availability of Lessee Limits

If the Lessee maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Lessee, irrespective of whether such limits maintained by the Lessee are greater than those required by this Lease or whether any certificate of insurance furnished to the City evidences

limits of liability lower than those maintained by the Lessee.

**13. ALTERATIONS AND IMPROVEMENTS.** The Organization may not make any structural alterations, additions and/or improvements (hereafter "improvements") to or upon the Premises or the Campus without first obtaining written approval of the City. Requests must be in compliance with all applicable governmental regulations, building codes, including obtaining any necessary permits. The Organization shall furnish the City with a copy of the "as-built" drawings detailing the nature of the improvements. . The City has the discretion to retain or require the Organization remove any improvements that have been attached to the Premises by the Organization. If subject to removal, the Organization shall do so within thirty (30) days of termination of the Lease. Failure to remove the improvements when required, will subject the Organization to any amount required to cover the costs to remove the improvements.

For any improvements deemed a public work by the City, the Organization agrees to follow all public works and bidding laws, which include but are not limited to payment of the prevailing rate of wage to all workers, laborers, or mechanics employed in the performance of improvements when required by state law to do so, and to comply with the provisions of Chapter 39.12 RCW, as amended, and the rules and regulations of the Department of Labor and Industries and the schedule of prevailing wage rates for the locality or localities where this Lease will be performed as determined by the Industrial Statistician of the Department of Labor and Industries, are by reference made a part of this Lease as though fully set forth herein.

**14. MAINTENANCE AND REPAIR.** The Organization shall, at its own expense, keep the Premises in a neat, clean, safe, and sanitary condition and shall maintain the Premises to the same standard as the City maintained areas of the Campus. The Organization shall keep the Premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the Premises by the Organization. At the City's request, the Organization shall furnish the City with written proof of payment of any item which would or might, if not paid, constitute the basis for such a lien on the Premises.

**15. DISPOSITION OF PERSONAL PROPERTY.** Within thirty (30) days after the expiration or earlier termination of the Lease, the Organization shall, at the Organization's expense, promptly and diligently remove, demolish, or clear from the Campus all property owned by the Organization.

**16. INSPECTION.** The City reserves the right to inspect the Premises at any and all reasonable times throughout the term of the Lease, provided that the City may not unduly interfere with the Organization's operations.

**17. DEFAULTS.** Time is of the essence of the Lease, and in the event of the failure of the Organization to pay the rental or other charges at the time and in the manner herein specified, or to keep any of the covenants or agreements herein, the City may elect to terminate the Lease and reenter and take possession of the Premises for default. If



upon such reentry there remains any personal property of the Organization or any other persons upon the Premises, the City may, but is not obligated to, remove said personal property and dispose of it in accordance with the law.

**18. DISPUTE RESOLUTION**

The City and the Organization will make every effort to resolve disputes arising out of or relating to this Contract. If a dispute arises, the parties are required to engage in a mutual dispute resolution process. This process shall consist of each party appointing one person to meet with a mediator from the Thurston County Dispute Resolution Office or other mutually agreed entity to attempt to resolve the issues. Each party shall pay its own costs of dispute resolution. Dispute resolution is non-binding but must be attempted prior to either party filing an action in a court of competent jurisdiction.

**19. TERMINATION.** The Lease may be terminated by either Party at any time by giving written notice not less than ninety (90) days. At the termination of the Lease the Premises shall be surrendered and returned to the City in the same condition as received, reasonable wear and tear notwithstanding.

**20. SEVERABILITY.** If any term or provision of the Lease or the application thereof to any person or circumstance is, to any extent, held to be invalid or unenforceable, the remainder of the Lease or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall continue in full force and effect.

**21. COMPLIANCE WITH STATE/FEDERAL LAWS.** It is the sole and exclusive responsibility of the Organization to comply with all federal, state, and local laws, rules, regulations in its occupancy and use of the Premises.

**22. DISASTER/FORCE MAJURE.** In the event the Premises are destroyed or materially affected by fire, earthquake or other casualty so as to render the Premises unfit for occupancy, either Party may immediately terminate the Lease.

**23. CONTRACT MANAGERS.** All formal communications about the Lease must be coordinated directly between the Organization and the City's Contract Manager unless otherwise approved in writing by the City. The contract managers are:

**Organization:**

- Organization contact full name
- Organization contact position
- Organization mailing address
- Organization mailing address line 2
- Organization contact phone
- Organization contact email

**City of Olympia**  
Valerie Roberts  
Armory Building Manager  
City of Olympia  
PO Box 1967  
Olympia, WA 98507-1967  
360-753-8468  
[sjohnson@ci.olympia.wa.us](mailto:sjohnson@ci.olympia.wa.us)

**24. NOTICES.** All notices required under the provisions of the Lease may be personally delivered or mailed through the US Postal service sent by registered mail. Proof of mailing to the address in this section by registered mail shall be considered valid notice:

**To the Organization:**  
Organization  
Organization mailing address  
Organization mailing address line 2

**To the City**  
City of Olympia  
PO Box 1967  
Olympia, WA 98507-1967

**25. BINDER.** The Lease is binding upon the Parties, their heirs, successors, and assigns.

**26. RECORDS.**

In working with the City, the Organization may, at times, create records that could be deemed by a court to be a public record subject to public records disclosure by the City. The definition of a "public record " is found in RCW 42.56.010, the Washington Public Records Act. Should the City seek records from the Organization that have been publicly requested and determined by the City to be public records that are subject to disclosure, the Organization must provide the City with such records within ten (10) calendar days of the City's request. Failure to provide such records to the City within ten (10) calendar days of the City's request for such records, may subject the City to litigation. The Organization agrees to indemnify, defend, and hold the City harmless for any public records judgment, including costs and attorney's fees, against the City that involves the City's request for records held by the Organization if the Organization withholds such records and such withholding results in a judgment against the City.

**27. JURISDICTION/VENUE.** All lawsuits or other legal actions whatsoever with regard to this Lease shall be brought in Superior Court of Thurston County, Washington.

City:

Organization:

By: \_\_\_\_\_  
Steven J. Burney, City Manager

Organization Name

By: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM  
FOR CITY:

APPROVED AS TO FORM  
FOR ORGANIZATION

By: \_\_\_\_\_  
Deputy City Attorney

By: \_\_\_\_\_  
Organization Contact Position

Date: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF WASHINGTON )

) ss.

COUNTY OF THURSTON )

I certify that I know or have satisfactory evidence that \_\_\_\_\_,  
\_\_\_\_\_ for \_\_\_\_\_, is the person who appeared before me, and  
that said person acknowledged that they signed this instrument, and on oath stated that they are  
authorized to execute this instrument, and acknowledged it as their free and voluntary act for  
the uses and purposes mentioned in the instrument.

DATED this \_\_\_\_\_ day of \_\_\_\_\_ 202\_\_.

\_\_\_\_\_  
Signature  
Name (typed or printed): \_\_\_\_\_  
NOTARY PUBLIC in and for the State of Washington  
Residing at \_\_\_\_\_  
My appointment expires: \_\_\_\_\_

STATE OF WASHINGTON )

COUNTY OF THURSTON ) ss.

I certify that I know or have satisfactory evidence that **Steven J. Burney**, is the person who appeared before me, and as City Manager for the City of Olympia, Washington, on behalf of said municipal corporation and with authority to sign same, acknowledged that he signed this instrument, and on oath stated that he was authorized to execute this instrument, and acknowledged it as his free and voluntary act for the uses and purposes mentioned in the instrument.

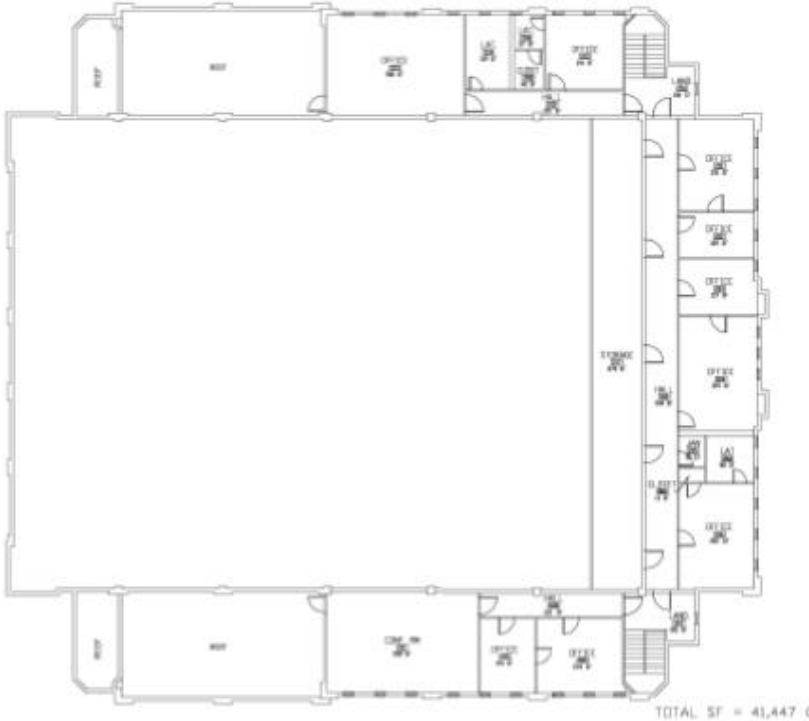
DATED this \_\_\_\_\_ day of \_\_\_\_\_ 202\_\_.

\_\_\_\_\_  
Signature  
Name (typed or printed): \_\_\_\_\_  
NOTARY PUBLIC in and for the State of Washington  
Residing at \_\_\_\_\_  
My appointment expires: \_\_\_\_\_

**EXHIBIT "A"**

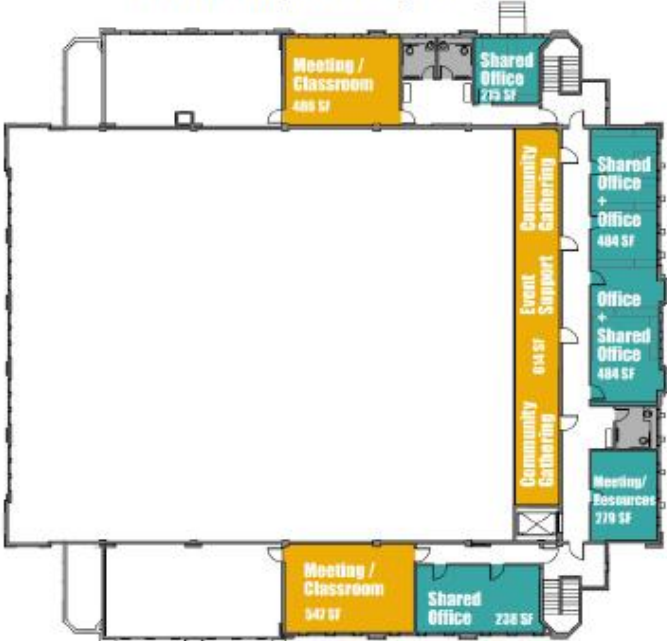
**Map of Leased Portion of Campus**

CURRENT



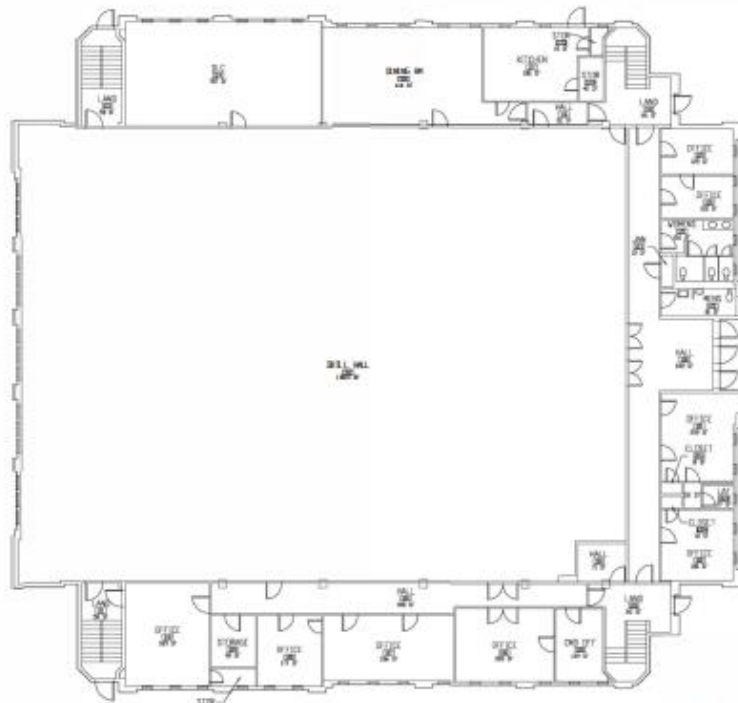
TOTAL SF = 41,447

CONCEPTUAL (via 2022 Conceptual Plan)



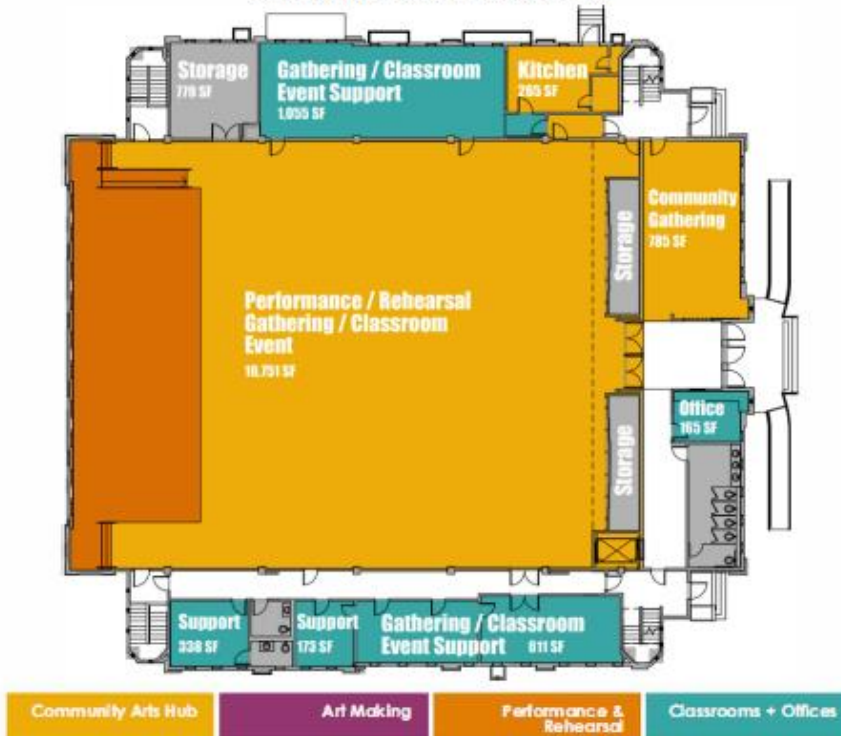
Community Arts Hub	Art Making	Performance & Rehearsal	Classrooms + Offices
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**CURRENT**



TOTAL SF = 41,447

**CONCEPTUAL (via 2022 Conceptual Plan)**



**CURRENT**



**CONCEPTUAL (via 2022 Conceptual Plan)**



**EXHIBIT “B”**  
**Armory Partnership Agreement**

By signing a Lease for the Premises with the City, the Organization agrees to align its mission with the Armory partnership goals, which are as follows:

PURPOSE | Anchor Partners guiding organizational principles must align with the Armory’s working vision statement.

DIVERSITY | Anchor Partners must align with the City’s commitment to equity, inclusion and belonging, and collectively represent a wide range of artforms.

LEADERSHIP | Anchor Partners must have clearly positioned leaders that identify and embody both their organization’s purpose and the Armory’s.

PUBLIC BENEFIT | Anchor Partners must be subject matter experts (SMEs) in their area of expertise AND demonstrate clear value to the public.

DEMOGRAPHICS | Anchor Partners must be able to clearly identify the community their organization serves.

ABILITY TO PAY RENT | Anchor Partners must be financially sustainable organizations that are able to financially commit to rent space in the Armory

**Anchor Partner Commitment**

1. Armory Anchor Partners will receive stable, affordable space from which to continue their mission to provide accessible art education, skills building, equipment and resources for community development at an affordable rate. The programming performed by Anchor Partners will align with some if not all the identified service categories of the Armory Creative Campus (see Figure 1)



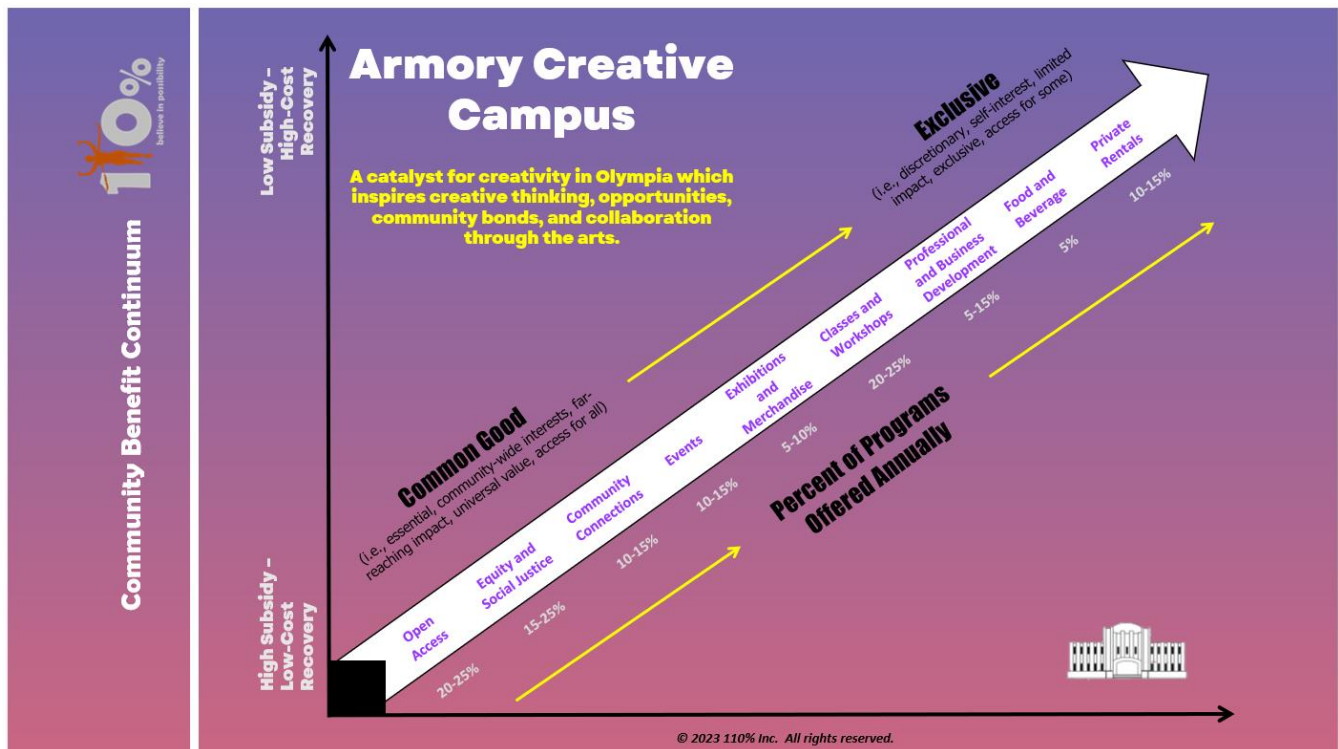


Figure 1 Armory Creative Campus Service Categories (2023)

2. Anchor Partners will participate in a monthly Armory Advisory Group:
3. This group will work together to ensure commitment to safe, affordable space and community opportunities are maintained, collaboratively build, and refine the Armory Creative Campus model op operation, and to collaboratively pursue grant and funding opportunities for the improvement of the Armory.
4. Anchor Partner will provide 1 free class for the community each month.
5. Anchor Partners will conduct a minimum of 10 staffed open studio hours per week for community use by the hour and/or negotiate a license or use agreement with other organizations to provide additional educational contact.
6. Anchor Partners will commit to submitting annual reports to the City including the following:
  - a. Narrative description of how your programming has aligned with the mission and vision of the Armory.
  - b. Program information: Titles, number of programs, descriptions
  - c. Organization and audience demographics: Number of participants, demographics if possible
  - d. Partnerships and Collaborations
  - e. Narrative of future annual goals for your organization