

CITY OF SEATTLE

ORDINANCE 126916

COUNCIL BILL 120666

AN ORDINANCE relating to the Seattle Department of Transportation; authorizing the Director of Transportation to enter into a lease agreement on behalf of the City of Seattle with the Cultural Space Agency, a city-chartered Public Development Authority, for its use and occupancy of a portion of King Street Station; and ratifying and confirming certain prior acts.

WHEREAS, the King Street Station (Station) was constructed by the Burlington Northern Railroad in 1906; and

WHEREAS, The City of Seattle (City) acquired the Station from the Burlington Northern and Santa Fe Railway Company (BNSF) by quitclaim deed dated February 15, 2008 (Deed); and

WHEREAS, upon acquiring Station, the Seattle Department of Transportation (SDOT) commenced extensive seismic upgrades, and renovated and restored historic elements throughout the Station, utilizing a combination of funding from the 2008 Bridging the Gap levy and other City funds, as well as significant federal, state, and private funds; and

WHEREAS, under the Deed, the City's title to Station was conditioned on the City's recognition of Amtrak's historic rights in and to the first floor of the building for use as an intercity passenger rail depot, pursuant to the Rail Passenger Service Act of 1971 (49 U.S.C. § 24308), which created Amtrak, a quasi-public corporation that consolidated and restructured passenger rail service; and

WHEREAS, Amtrak's rights and operational responsibilities were later memorialized in a 20-year lease agreement with Amtrak, authorized by Ordinance 125004 and executed between the City and Amtrak in July 2016; and

1 WHEREAS, in December 2018, a partnership among SDOT, the Department of Finance and
2 Administrative Services, and the Office of Arts and Culture (ARTS) completed a build
3 out of the third floor of King Street Station to serve as the new location for ARTS, which
4 included gallery space for hosting exhibits curated and sponsored by Seattle-based non-
5 profit arts organizations; and

6 WHEREAS, in 2019, SDOT and ARTS entered into a memorandum of understanding granting
7 either ARTS or a future Public Development Authority the right of first refusal to
8 develop space for community arts organizations within the vacant, unfinished second
9 floor of King Street Station; and

10 WHEREAS, in January 2021, the City chartered the Cultural Space Agency Public Development
11 Authority (CSA), whose mission is, in part, to secure long-term affordable commercial
12 cultural space with community partners, more specifically with communities of color,
13 with a particular focus on the needs of Black and Indigenous communities (see Clerk's
14 File 321874); and

15 WHEREAS, Cultural Space Agency acted on the MOU's development option, with approval
16 from Arts, and since then SDOT and CSA have partnered to design and deliver a tenant
17 improvement project building out the second floor of King Street Station, which included
18 nearly 5,500 square feet of unfinished space, the last of the remaining space not under
19 Amtrak's control; and

20 WHEREAS, the tenant improvement project is nearing completion and Cultural Space Agency
21 will soon begin utilizing the space as a home for five arts-oriented non-profit
22 organizations devoted to youth arts education and professional development, particularly
23 Black, Indigenous and other People of Color, including the Jackson Street Music

1 Program; Red Eagle Soaring Native Youth Theatre; The Rhapsody Project, which
2 celebrates music and heritage through an anti-racist lenses; Totem Star, which provides
3 recording arts training and mentorship opportunities for area youth; and Wh!psmart, a
4 statewide trade organization dedicated to supporting creative workers and creative
5 businesses, with an emphasis on diversity, equity and inclusivity; NOW, THEREFORE,

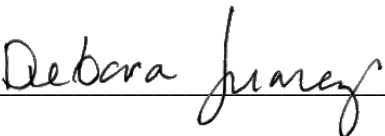
6 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

7 Section 1. The Director of the Seattle Department of Transportation (Director) is
8 authorized to execute, for and on behalf of The City of Seattle, a lease agreement with the
9 Cultural Space Agency Public Development Authority providing for its use of a portion of the
10 King Street Station, substantially in the form of the agreement attached to this ordinance as
11 Attachment 1.


12 Section 2. Any act consistent with the authority of this ordinance taken after its passage
13 and prior to its effective date is ratified and confirmed.

1 Section 3. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.


4 Passed by the City Council the 26th day of September, 2023,
5 and signed by me in open session in authentication of its passage this 26th day of
6 September, 2023.

7 
8 President _____ of the City Council

9 Approved / returned unsigned / vetoed this 6th day of October, 2023.

10 
11 Bruce A. Harrell, Mayor

12 Filed by me this 6th day of October, 2023.

13 
14 _____
Scheereen Dedman, City Clerk

15 (Seal)

16 Attachments:
17 Attachment 1 – Lease Agreement between The City of Seattle and the Cultural Space Agency
18 Public Development Authority (CSA)
19
20

ATT 1 – Lease Agreement Between City of Seattle and Cultural Space Agency Public Development Authority (CSA)



Lease Agreement

Between

The City of Seattle

and

Cultural Space Agency Public Development Authority (CSA)

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1. PURPOSE

This Lease Agreement (LA) is between the City of Seattle (the City) and the Cultural Space Agency (CSA), a Public Development Authority chartered by the City in January 2021(Exhibit A).

The City of Seattle is the owner of King Street Station (KSS) and the Seattle Department of Transportation has the responsibility and authority for managing, operating, and maintaining the facility located at 303 S Jackson Street, Seattle, 98104 on behalf of the City. The property is legally described on Exhibit B-1.

The City of Seattle Office of Arts & Culture (ARTS) is an occupant of the full 3rd Floor of the building with an entry from the 2nd floor hallway.

King Street Station is an historic building that is the home of a train station managed by Amtrak on the 1st level of the building by which Amtrak has legacy right of use under the Rail Passenger Service Act of 1970. The building includes a plaza at the 2nd floor level and plaza and loading zone on the 1st level off of King Street. Limited temporary parking is available in the loading zone.

The facility supports Amtrak, a private tenant, on the 1st level of the building. ARTS, a City department, on the 3rd floor, and CSA, a City chartered Public Development Authority, will be the third of three tenants, on the 2nd level, which 2nd level premises are depicted on Exhibit B-2 attached hereto.

CSA's mission is, in part, to secure long-term affordable commercial cultural space with community partners, more specifically with communities of color, with a particular focus on the needs of Black and Indigenous communities.

This lease agreement is intended to, among other things, facilitate CSA's plans to establish and sublease office and educational space for multiple arts organizations serving Black and Indigenous communities on the 2nd floor of King Street Station (KSS).

This Lease Agreement is intended to clarify facilities services provided by SDOT to manage, operate, and maintain King Street Station, establish roles and responsibilities related to facilities services for CSA on the 2nd floor, establish expectations for performance standards, communication processes, and address cost and payment terms. SDOT and CSA agree to enter into this Lease Agreement for the purposes further described herein, including the following:

- To clarify facilities management, operations and maintenance scope of services provided by SDOT at King Street Station, 2nd Floor;
- To clarify services provided by SDOT, at King Street Station 2nd Floor, specific to support CSA's tenant needs;

- To clarify roles and responsibilities of SDOT and CSA, related to facilities management, operations, maintenance, and alterations at King Street Station 2nd Floor;
- To recognize the significant capital improvements CSA will make to the building;
- To determine service expectations and performance standards;
- To review and monitor performance;
- To establish communication and problem resolution processes; and
- To establish cost and payment terms.

Each party agrees to fulfill the terms of this agreement including the roles and responsibilities listed in this Lease Agreement and to adhere to all other references and relevant provisions.

Both parties agree to hold each other and their staff accountable for the performance of the parties' duties. The parties agree to thoroughly understand and enforce this agreement, review it as needed and discuss changes and agree to make changes only by mutual written agreement.

2. PREMISES

A. Grant: Subject to all of the terms and conditions herein, City hereby leases to CSA and CSA leases from City, a portion of King Street Station located on the second floor and containing the approximately 5,401 square feet of space exclusive to CSA, as depicted on Exhibit B-2 (the "Premises"), plus a proportional 13.22% of the building's 3569 of shared common space for a total of 5873 square feet subject to this agreement.

The floor plan for the Premises is attached as Exhibit B-2. CSA acknowledges and agrees that those portions of King Street Station located on the 2nd Floor and lying outside of the Premises as shown on the floor plan attached as Exhibit B-2 are not included within the Premises and instead will remain under the sole control of the City or its lessees; it is agreed, however, in no event shall CSA's access to the Premises be impeded.

The mailing address for this location will be:

Cultural Space Agency
King Street Station 2nd Floor
303 S Jackson St
Seattle, WA 98104

B. Condition of Premises: CSA accepts the Premises in their condition as of the Commencement Date defined in Section 3 AS IS, with all defects, and assumes all risk that one or more defects exist in the Premises. City makes no warranties or representations of any kind, express or implied, with respect to the condition of the

Premises or their suitability for CSA's purposes other than as specified in this Lease. CSA agrees that any express or implied representations, statements or warranties made by or on behalf of the City prior to the Commencement Date, unless expressly set forth in this Agreement, have been revoked and withdrawn and have no force or effect whatsoever.

C. Use: CSA shall use the Premises for its, or its sub-lessees' administrative and business offices and for one or more of the following uses: meetings and gatherings within permitted occupancy levels; arts and culture education; arts creation and exhibition; music production and performance; theater development, production and performance; and retail sales, including the sale of dry goods, cultural objects by producers or their culturally representative agents and light food and drink.

D. Sub-leasing: Consistent with CSA's mission of securing long-term affordable commercial cultural space with community partners, CSA may sub-divide and sub-lease space constituting all or portions of the Premises to arts organizations as selected by its Governing Council without prior consent from SDOT or the City of Seattle. CSA will be entirely responsible for administering and managing subleases and will serve as a central conduit between its sub-lessees and SDOT and the City of Seattle.

E. Parking Assignments: SDOT does not control space where parking is available. The only space available that is within SDOT's control is the loading zone below the plaza. This space will be a designated loading zone available to all vendors supporting the facility and operations of the tenants.

F. Nonexclusive License to Use Common Areas: Throughout the Term, CSA and its sublessees, patrons, invitees, agents and employees shall have the non-exclusive right to use the common areas of King Street Station in common with all other tenants, visitors and users of the Station and subject to such reasonable rules and regulations of general applicability for the use thereof as the Director may promulgate from time to time ("Rules"). In the event of any conflict between the Rules and the terms of this Lease, the terms of this Lease shall govern. For the purposes of this Lease, the term "common areas" means and includes any area of King Street Station open and accessible to the public during the posted operating hours of other building tenants, including specifically those common areas shown on Exhibit C. Common Areas include but are not limited to the immediate periphery of the Premises, landscaped areas, public toilets, public stairs, ramps and elevators.

CSA acknowledges that the Jackson Street Plaza abutting their Premises are for the enjoyment of all and shall at all times be respectful of the public's right to use the Plaza without fear of disturbance or bother. However, CSA is strongly encouraged to work with the Office of Arts and Culture to program events and productions on the Plaza. Any disputes between ARTS and CSA or its sublessees with regard to programming or use of the Plaza shall be resolved by the SDOT Director ("Director") or the Director's designee

3. LEASE TERM

This Lease shall commence on _____ (the "Commencement Date") and shall terminate on December 31, 2053 (the "Term"), with CSA having three successive options to renew the Term for 10 years each in accordance with the terms of Exhibit D.

4. INITIAL IMPROVEMENTS AND SUBSEQUENT ALTERATIONS

A. Initial Improvements: It is a fundamental purpose of this Lease that CSA constructs the tenant improvements generally described on the attached Exhibit E (the "Initial Improvements") and which are anticipated to cost approximately \$3,370,000 ("Estimated Improvement Costs"). The Initial Improvements have been approved by the City. The Estimated Improvement Costs will be repaid by the City in the form of rent credits, as further described in Section 5 below. The parties' rights and obligations with respect to the construction of the Initial Improvements shall be contained in a separate construction agreement (the "Construction Agreement"). Such Construction Agreement shall include a requirement that prior to commencing the Initial Improvements, CSA shall have demonstrated to the satisfaction of the Director or his designee that it has sufficient funds to complete the Initial Improvements.

B. Subsequent Alterations: Following construction of the Initial Improvements CSA shall not make any improvements to the Premises without first obtaining the Director or Director's designee's written permission, which permission shall not be unreasonably withheld, conditioned or delayed. No consent will be required for installation of cosmetic changes (e.g., carpet or paint) or of non-structural fixtures or equipment or repairs and replacement of equipment and related support systems.

C. Improvements to Become City Property: All approved modifications, alterations, additions or improvements (including the Initial Improvements but not including non-structural fixtures or equipment) shall, at the expiration or earlier termination of the Lease, become the property of City and remain upon and be surrendered with the Premises. In no event will CSA or its sub-lessees' sound engineering equipment, musical equipment, stage lighting, or audio-visual gear be deemed an improvement.

D. Damage: In undertaking any repairs, modifications, alterations, additions or improvements, neither CSA nor its contractors, sublessees or agents shall damage or cause destruction to private or public property on or in the vicinity of the Premises that is not scheduled for repair, replacement or removal. Any property that CSA or its contractors, sublessees or agents damage in the course of any repair, modification, alteration, addition or improvement shall be promptly repaired or replaced at CSA's expense.

5. RENT

A. **Annual Rent:** Beginning on the date CSA receives a certificate of occupancy for the Premises (the "Occupancy Date"), which the parties anticipate to be on October 1, 2023, rent shall be paid in accordance with this Section 5. The Annual Rent payable for the initial Term has been agreed to by SDOT and CSA and takes into account the fair market value of the Premises (initially equal to \$30/RSF/year), a fixed fee for estimated SDOT operating expenses, a public benefit offset equal to \$12/RSF/year in light of the use in light of the use of the Premises contemplated hereunder and the reimbursement by SDOT of the Estimated Improvement Costs equal to \$18.00/RSF/year ("Initial Improvement Rent Credit").¹ Annual Rent shall be payable in 12 equal monthly installments, with the first installment on the Occupancy Date and the first day of each month thereafter throughout the initial Term (with such payments subject to daily proration in the event that the Occupancy Date does not occur on the first day of a calendar month).

Year	Annual Rent
Occupancy Date – 12/31/24	\$35,000.00
1/1/25 – 12/31/25	\$35,000.00
1/1/26 – 12/31/26	\$35,000.00
1/1/27 – 12/31/27	\$35,000.00
1/1/28 – 12/31/28	\$35,000.00
1/1/29 – 12/31/29	\$35,000.00
1/1/30 – 12/31/30	\$37,000.00
1/1/31 – 12/31/31	\$39,000.00
1/1/32 – 12/31/32	\$41,000.00
1/1/33 – 12/31/33	\$43,000.00
1/1/34 – 12/31/34	\$46,000.00
1/1/35 – 12/31/35	\$49,000.00
1/1/36 – 12/31/36	\$52,000.00
1/1/37 – 12/31/37	\$55,000.00
1/1/38 – 12/31/38	\$58,000.00
1/1/39 – 12/31/39	\$62,000.00
1/1/40 – 12/31/40	\$66,000.00
1/1/41 – 12/31/41	\$70,000.00
1/1/42 – 12/31/42	\$74,000.00
1/1/43 – 12/31/43	\$78,000.00
1/1/44 – 12/31/44	\$83,000.00
1/1/45 – 12/31/45	\$88,000.00
1/1/46 – 12/31/46	\$93,000.00
1/1/47 – 12/31/47	\$98,000.00
1/1/48 – 12/31/48	\$100,000.00
1/1/49 – 12/31/49	\$100,000.00
1/1/50 – 12/31/50	\$100,000.00
1/1/51 – 12/31/51	\$100,000.00
1/1/52 – 12/31/52	\$100,000.00

1/1/53 – 12/31/53	\$100,000.00
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B. Time and Manner of Payment: CSA shall pay Annual Rent in lawful money of the United States through either check or electronic transfer of funds per invoice from SDOT's Finance and Administration Division, Accounts Receivable group, or the City's Accounting Department.

C. Late Charges/Interest: If CSA fails to pay any sums due under this Lease when due and such failure continues for more than ten (10) days after written notice from SDOT to CSA of such delinquency, a service charge of Fifty Dollars (\$50.00) or such larger sum as may be established by ordinance, shall be assessed for each month that the delinquency continues. Such assessments shall be immediately due and payable. In addition, interest on such delinquent amounts shall accrue at the rate of ten (10) percent per annum, from the date of SDOT's delivery of written notice to CSA of such delinquency and until paid. If any check for payment is returned for insufficient funds, CSA shall pay an administrative charge of \$20.00 and thereafter, City may require CSA to pay Rent by cashier's or certified check.

D. Exclusions: This Lease Agreement does not include non-structural fixtures or equipment owned by CSA or its sub-tenants, such as gallery lighting, appliances, recording equipment, office furniture and equipment. See CSA Responsibilities for information on equipment maintained by CSA.

6. WAIVER; INDEMNIFICATION

A. CSA's Indemnification: Except as to activities to which RCW 4.24.115 applies in which case the provisions of that statute shall govern this section) and subject to Section 6.C below, CSA shall indemnify, defend and hold the City, its officers, agents, and employees, harmless from any and all third-party claims, suits, losses, damages, fines, penalties, liabilities and expenses ("Claims") to the extent arising from (i) CSA's occupation, use, sublease, or improvement of the Premises; or (ii) CSA's violation of any law. CSA agrees that its indemnity obligation is specifically and expressly intended to constitute a waiver of CSA's immunity under Washington's Industrial Insurance Act, RCW Title 51, as to City only. The foregoing indemnification obligations shall not apply to the extent that any such Claim arises from the negligence or willful misconduct of SDOT or the City or the failure by SDOT and the City to satisfy its obligations under this Lease. The City and CSA acknowledge and agree that the indemnification provisions of this Lease were specifically negotiated and agreed upon by them and they shall survive the termination or expiration of this Lease.

B. Release of Claims; Subject to Section 7.C below, CSA's placement and storage of business or personal property in the Premises shall be at CSA's sole risk and the City shall not be liable to CSA and CSA hereby waives and releases City from all Claims CSA sustains as a result of any accident or occurrence in or upon the Premises, including but not limited to any defect in or failure of building equipment; any failure to make repairs; any defect, failure or interruption of building facilities or services; broken

glass; water leakage; the collapse of any building component; or any act or omission of any other King Street Station occupants. The foregoing waiver shall not apply to the extent that any such Claim arises from the negligence or willful misconduct of SDOT or the City or the failure by SDOT and the City to satisfy its obligations under this Lease.

C. Mandatory Liability Disclaimer: The Cultural Space Agency public development authority is organized pursuant to Seattle Municipal Code (SMC) 3.110 and RCW 35.21.660, 35.21.670, and 35.21.730-755. RCW 35.21.750 provides as follows: “All liabilities incurred by such public corporation, commission, or authority shall be satisfied exclusively from the assets and properties of such public corporation, commission, or authority and no creditor or other person shall have any right of action against the city, town, or county creating such corporation, commission, or authority on account of any debts, obligations, or liabilities of such public corporation, commission, or authority.”

7. INSURANCE

A. CSA Furnished Coverages and Limits of Liability: CSA, or its sublessees as applicable to their operations when not otherwise covered by CSA’s insurance, shall obtain and maintain in full force and effect at all times during the Term of this Lease, at no expense to City, insurance as specified below.

1. Commercial General Liability insurance including -

- Each Occurrence Limit	\$1,000,000
- Personal & Advertising Injury Limit	\$1,000,000
- Products-Comp Ops Agg Limit	\$2,000,000
- General Aggregate Limit	\$2,000,000
- Damage to Rented Premises	\$250,000
- Medical Expense	\$5,000

Such minimum limits may be satisfied by a single primary limit or by a combination of separate primary and umbrella or excess liability policies, provided that coverage under the latter shall be at least as broad as that afforded under the primary policy and satisfy all other requirements applicable to liability insurance including but not limited to additional insured status for the City of Seattle. Such insurance shall include “The City of Seattle” as an additional insured as their interest may appear under this Agreement on primary and non-contributory basis. Upon receipt of notice from its insurer(s) Grantee shall provide the City with thirty (30) days prior written notice of cancellation of any required coverage.

2. Sexual Misconduct Conduct Liability Insurance: If CSA’s operations involve working with minors, Sexual Misconduct Liability Insurance (Sexual Abuse and Molestation Liability) coverage is required. CSA shall maintain at all times a minimum of \$1,000,000 per occurrence of Sexual Misconduct Liability insurance.

- a. Limits of liability shall be not less than \$1,000,000 each occurrence, bodily injury and property damage combined single limit (CSL) except:
3. Workers Compensation Insurance in accordance with Title 51 of the Revised Code of Washington (RCW).
4. All Risks Property Insurance on a replacement cost basis, covering CSA's tenant improvements, trade fixtures and business and personal property. Such insurance shall include Time Element coverage with sufficient limits to provide for loss of revenues and additional expenses during an interruption of CSA's activities due to damage to or loss of the Premises.

B. General Terms and Conditions:

1. The City maintains a fully funded Self Insurance program for worker's compensation and for the protection and handling of its liabilities including injuries to persons and damage to property. The City does not purchase premises liability insurance. Therefore, CSA acknowledges and agrees that the City is self-funded for all of its liability exposures and will not be required to demonstrate proof of premises liability insurance.
2. Except with respect to Workers' Compensation insurance, any self-insured retention in excess of \$25,000 must be disclosed and is subject to the City's approval. CSA shall be responsible for paying any claims that fall within the amount of the self-insured retention. In order for the City to approve a self-insured retention above the stated amount, CSA must state, in writing, that it will protect and defend the City of Seattle as an additional insured under its self-insured retention to the same extent as City would be protected under a commercial insurance policy meeting the requirements set forth herein has been issued and, in addition, provide detailed information as to how and to whom the City should direct any notice or tender.
3. The City reserves the right to approve any insurer, form or type of coverage. Unless the City approves otherwise, all insurers shall be licensed to do business in the State of Washington and rated A or higher in the current A.M. Best's Key Rating Guide; or issues as surplus lines under the provisions of chapter 48.15 RCW by a Washington State licensed broker.
4. The City of Seattle shall be named as an additional insured on the Commercial General Liability insurance policies for primary and non-contributory limits of liability.
5. City reserves the right to periodically review the appropriateness of coverages and/or limits of liability in view of inflation and/or changing industry conditions and

to reasonably require an increase in such coverages and/or limits of liability upon ninety (90) days' written notice to CSA and provided such increases are reasonable with respect to market practices and directly tied to the foregoing considerations.

C. Evidence of Insurance: Except with respect to Workers' Compensation insurance, before occupying the Premises, CSA shall provide City with documentary evidence that it has complied with the insurance requirements hereunder, including coverages, limits of liability and other terms and conditions specified in this Section 7.

As respects Commercial General Liability insurance, evidence of insurance must include a copy of the actual designated additional insured endorsement or blanket additional insured policy wording that documents that The City of Seattle is an additional insured for primary and non-contributory limits of liability. The additional insured endorsement must not contain any limitation of liability language limiting the insurers obligations.

As respects all coverages, each policy must include, and the documentation must demonstrate, that the policy will not be cancelled without at least thirty (30) days' written notice of cancellation having been delivered to the City, except in cases of non-payment of premium, in which case, cancellation may occur upon ten (10) days' written notice.

The certificate holder shall be the City of Seattle PO Box 9468 Seattle, WA 98124-4689

Certification shall be sent to the City's Risk Manager at: Facsimile number (206) 470-1270 or as an email attachment to riskmanagement@seattle.gov, with a copy to:

Juanita Woelfle
Facsimile number (206) 615-0366 or as an email attachment to
Juanita.woelfle@seattle.gov

CSA agrees that electronic documents transmitted to the City of Seattle shall constitute original copies and warrants the signature on the transmitted copy as the sender's certifying authorized representative's original signature. ORIGINAL HARD COPY CERTIFICATION IS NOT REQUIRED AND SHALL NOT BE SENT BY MAIL.

8. COVENANTS REGARDING CSA'S OPERATION

A. No Nuisances or Objectionable Activity: CSA and its sublessees shall not (i) permit any noise, odor, dust, vibration or similar substance or condition in excess of the amount normally generated by similar operations and that the Director or designee reasonably determines to be excessive considering CSA's use, to remain on or be emitted from the Premises; (ii) interfere with access to or from the Premises or any other part of King Street Station; or (iii) do anything on the Premises that will create a danger to life or limb.

B. Fire Extinguishers within Premises: CSA shall install and maintain, throughout the Term, 2A-10BC-class fire extinguishers or alternatives approved by the Fire Marshal, in prominent locations on the Premises, and shall instruct its employees regarding their appropriate use. Such fire extinguishers shall be recharged at least once a year and immediately following any use. City has the right to verify compliance with this requirement at any time and to modify this requirement as necessary to conform to current Seattle Fire Department recommendations or requirements and to City of Seattle policies and procedures.

C. Fire Alarm System within Premises: CSA shall, at its sole expense, install and connect to King Street Station's Fire alarm panel, fully addressable equipment and devices necessary to bring the Premises into compliance with current Seattle Fire Department regulations.

D. Objectionable Merchandise or Material: CSA and its sublessees shall not display or offer for sale or rent, or allow to be displayed or offered for sale or rent, on the Premises, any merchandise or other material that the Director or designee, in the exercise of such official's sole discretion, determines will create a danger to life or limb or that may create a substantial litter or other maintenance problem at King Street Station.

E. Cross-Promotional Activities: CSA and the City will work cooperatively to develop and implement cross-promotional strategies to use the parties' respective communications systems and promotional tools to promote each other's events and activities.

F. Promotional Materials: Incorporation of SDOT Logo: CSA (but not any sublessees) shall, to the extent possible, include in any published annual reports produced by or on behalf of CSA that refers to the Premises, including advertisements, posters, programs, but not including tickets, notice that the Premises are located at an SDOT facility, and/or the SDOT logo.

G. Linked Websites: CSA (but not any sublessees) shall maintain a link between the King Station page on its website and the SDOT website.

H. Sponsorship Approval: If CSA procures sponsorship from entities that are in the business of manufacturing, selling, or distributing tobacco, hard alcohol or firearms, CSA shall not advertise these sponsors in a manner visible to the general public inside or outside the Premises, except that such sponsor's name may be a written part of the official title of an event at the Premises, but CSA agrees that no logo, product representation or product distribution is permitted at the Premises. Before concluding any sponsorship agreement with another party that includes naming rights for the Premises, CSA shall submit the same to the Director or designee for approval, and if not approved, shall modify the agreement if the Director or designee so requests, in an effort to secure such approval.

I. Operational Impacts: CSA shall meet with other King Street Station tenants as needed to review the operational impacts of CSA's program on Station operations and activities. To the extent reasonably practicable, CSA shall promptly implement reasonable modifications to its program that the Director or designee requests and that are intended to mitigate demonstrable adverse effects that CSA's program is having upon King Street Station operations.

J. Notification of Casualties or Accidents: CSA shall promptly notify City of casualties or accidents occurring in or about the Premises.

K. Security: CSA shall provide all security for CSA and its sublessees use and activities on the Premises, at CSA's sole cost and expense.

9. UTILITY SERVICES

A. Utility Services Provided by City: The City shall maintain connections for electrical, water and sewer, and sprinkler and fire alarm system monitoring and maintenance available to CSA for the Premises. The City will also ensure availability of solid waste and recycling services to CSA in coordination with other building tenants. However, CSA acknowledges that there is limited space available for dumpsters and it may need to share solid waste service with other tenants. CSA shall pay for these services as follows:

1. Electricity/ Water and Sewer. For the foreseeable future, until and unless the City may be able to sub-meter utilities for each tenant, cost allocations for electricity, and water and sewer, shall be based on the percentage of square footage that the Premises bear to King Street Station, including the proportional share of interior common space, which the parties agree is 11.48% as reflected in Section 2(A) of this agreement (5873 sq. ft, which includes 472 sq ft of proportional common space, equaling 11.48% of King Street Station's total 51,154 sq ft) ("proportional share" or "proportionate share"). The foregoing shall be adjusted for any change that may occur in the square footage, corrections in the measurement of the square footage that both parties agree are valid, or changes in CSA's proportionate share of interior common areas.

2. Solid Waste/Recycling. CSA will be responsible for maintaining garbage and recycling services consistent with City requirements for commercial or institutional entities. Due to limited dumpster space, CSA may be required to coordinate with SDOT and other building tenants to share costs based on its 13.22% share of square footage, with potential upward adjustments if CSA is consistently producing a significantly higher proportion of refuse.

3. Sprinkler; Fire Alarm System. CSA shall pay its proportional share of sprinkler and fire alarm monitoring for fire alarm and sprinkler systems serving the Premises

and shall reimburse the City for the actual cost for regular maintenance and confidence testing of the systems serving the Premises.

B. Utility Services Provided by CSA: CSA shall install, secure, maintain and repair, at its sole expense, any utility services necessary to conduct its operations on the Premises and which are not presently provided by the City. Whenever reasonably possible, CSA shall cause all utilities it installs to be separately metered and cause all bills for the delivery of such services to be sent directly to CSA. If separate metering is not possible, the parties shall agree upon a methodology for allocating such costs prior to installation based on CSA's proportionate share of leased space within King Street Station. CSA shall pay before delinquency all fees and charges for all utility services provided to the Premises, including but not limited to telephone and data services, as well as for any special utility requirements and equipment, and for the installation, change and relocation of points and means of service of all utility lines and systems. CSA shall have the right to choose the provider for such utility services subject to the Director or designees approval, with the exception of telecommunications services, as stated in Section 9.D below, which shall not require Director or designee's approval.

C. Additional Utility Capacity: CSA shall pay all costs associated with augmenting any existing utility services (including the fire sprinkler system) necessary or desirable for CSA's use and occupancy of the Premises, including relocating or modifying any utility systems . If CSA desires to install lights or equipment that would exceed the capacity or design of King Street Station's existing utility systems, CSA shall obtain the Director or designees prior consent for such installation, which the Director or designee may condition upon CSA's agreement to pay all costs for upgrades, relocations, renovations or revisions to King Street Station's systems as may be necessitated by such equipment or lights. The Director or designee may deny the change if the equipment or lights requested will, in City's reasonable judgment, overburden King Street Station's structural or mechanical, HVAC, plumbing or electrical systems, even if supplemented at CSA's expense.

D. Telecommunications: CSA and its sublessees shall be responsible for all telephone and data services provided to CSA or its sublessees within the Premises.

E. Interruption: Unless caused by the City's negligence or willful misconduct or the breach of the City's or SDOT's obligations under this Lease, the City shall not be liable for any loss, injury or damage to person or property caused by or resulting from any variation, interruption or failure of utility services due to any cause whatsoever, including, but not limited to, electrical surges, or from failure by CSA to make any repairs or perform any maintenance for which it is responsible. Unless caused by the City's negligence or willful misconduct or the breach of the City's or SDOT's obligations under this Lease, no temporary interruption or failure of such

services shall be deemed an eviction of CSA nor relieve CSA from any of CSA's obligations hereunder nor give CSA a right of action against City for damages. Any interruption or failure of services in excess of 48 hours that results from the City's or SDOT's negligence or willful misconduct shall entitle CSA to an abatement of Rent for the duration of such interruption or failure. The City has no obligation to provide emergency or backup power to the Premises. The provision of emergency or backup power to the Premises or to enable the equipment therein to properly function shall be CSA's sole responsibility.

10. SIGNAGE, ADVERTISING & PUBLICITY

A. Prohibited Promotion & Other Material: CSA agrees not to display, post or distribute any material (including posters) on any part of King Street Station visible from the exterior of the Premises, and expressly excluding materials in the interior of the Premises that are not visible from the exterior and excluding exterior signs as described in Section 10.B below, except after receiving the Director or designee's written approval therefor, which approval may be given, conditioned or withheld in the Director or designee's reasonable discretion. On or before the expiration or termination of this Lease, whichever is earlier, or, in the case of unauthorized material, on or before the date specified in the Director or designee's notice to remove the same, CSA shall remove, at no expense to City, all materials it has so posted and repair any damage or injury to City property caused by such material and its removal. If any unauthorized material is not removed from City property by the date required, such material may be treated as CSA property subject to removal and storage pursuant to Section 21 hereof.

B. Signs: CSA or its sublessees may install signs on the exterior of the Premises only to the extent permitted by the Director or designee and consistent with Pioneer Square Historic District rules or approvals. The design, installation and location (but not the contents) of said signs shall be subject to the Director or designee's and Pioneer Square Preservation District's written approval. It is the City's expectation that CSA will install all approved permanent signage in a timely manner. Any temporary signage, if the Director or designee approves such, may not be in place more than six (6) months, total. All signs and display materials that CSA is authorized to post or display shall comply with applicable laws and regulations.

11. MAINTENANCE, CLEANING AND REPAIR

A. CSA Responsibilities:

CSA will have the following responsibilities associated with the Premises.

12. Paint and wall repair: CSA will be responsible for maintaining all paint and basic repair of walls within the Premises. This includes patching and paint.

- 13. Lighting and electrical systems:** CSA is responsible for maintaining lighting fixtures within the Premises and for any lighting or electrical equipment added by CSA following completion of the Initial Improvements. This includes replacement of bulbs, change out of fixtures and wiring of any connections added after issuance of the certificate of occupation.
- 14. Emergency Preparedness:** CSA and/or its sub-lessees will be responsible for supplying the Premises and its employees with emergency kits and other items for emergency preparedness.
- 15. Emergency Procedures:** CSA will coordinate with SDOT and the other tenants of KSS to coordinate emergency and after-hours procedures for all occupants and visitors to the facility.

16. Building Security

Key Cards: CSA will be installing a City standard keypad system for the Premises approved by SDOT as part of the Initial Improvements. CSA will continue to cover any of the costs associated with maintenance of the keypad entry system for the areas within the Premises. CSA will ensure that SDOT building facility staff and contracted building engineer have access to the building interior and CSA-leased spaces via the City approved entry system.

Building Access: CSA will provide advance notice prior to events or activities that may require higher than normal use of entry and exit points, including elevator access; however, notice may not be possible in all cases, especially in the case of an emergency.

- 17. Premises:** CSA and its sublessees shall keep the Premises always in a neat, clean, safe and sanitary condition, and shall keep and use the Premises in accordance with the laws of the State of Washington and Charter and ordinances of The City of Seattle and the CSA Public Development Authority, and further agree to abide by reasonable rules and regulations for ensuring the safety, security and efficient operations of the leased space.

18. Building Systems

Any additional building system installation, modifications, machinery, or furniture moves that would require data, power or other infrastructure changes by CSA to conduct their business shall be at CSA expense, along with the expense to maintain and repair such improvements. SDOT shall review and approve any new or additional building installation of electrical outlets or electrical system capacity, HVAC requirements, machinery, equipment, structures, or other work that would impact the facility in advance of such installation work.

Any CSA proposed interior/exterior improvement, modification, alteration, or space revision that may impact the building envelope shall be submitted to SDOT for review and approval prior to initiation of proposed improvement.

19. Janitorial

CSA will provide its own janitorial service within the Premises and will share the proportionate cost for janitorial service within building common areas, including Jackson Plaza.

B. SDOT Responsibilities:

SDOT, on behalf of the City, will have the following responsibilities as the building owner and landlord of the facility. In no event shall any action undertaken by SDOT in connection with the following materially disrupt operations within the Premises or alter the size or configuration of the Premises other than in a de minimis manner.

1. Building Access

SDOT will provide advance notice prior to any site visits; however, notice may not be possible in all cases, especially in the case of an emergency. SDOT and CSA shall work with FAS to allow and grant card access to certain authorized City of Seattle employees and vendors doing business at the facility. Key SDOT facilities staff will have full time access to the Premises, including to the 2nd floor janitorial closet, and building systems utilized by CSA. SDOT from time to time will need to make repairs, improvements and utility efficiency enhancements and will work with CSA to schedule any such projects to minimize disruption to CSA. Notification of entry to the Premises will be critical for ensuring CSA and its sublessees can operate their programs and events, and their staff and visitors are safe.

2. General Maintenance

SDOT shall maintain in good working order and condition all general building systems and/or components such as plumbing and lighting fixtures, electricity service, heating, ventilation and air conditioning; and all common areas.

SDOT shall not make any changes to any building systems that have an adverse impact on the operations of CSA without CSA's consent unless the situation is an emergency.

All normal repairs and preventative maintenance to the Premises necessary to maintain general building operations shall be conducted by SDOT at SDOT's direction and sole cost, unless the repairs are required due to damage caused by CSA or its sublessees, invitees, or guests.

3. Tenant Coordination: SDOT staff and contractors are responsible for communicating all information regarding the building, safety, security, maintenance and general building updates to all tenants of the building. They will

also be responsible for ensuring tenants coordinate emergency procedures and keep each other informed of events or peak impact times.

4. Landscaping

SDOT will maintain and care for all exterior landscaping and hardscaping but may invoice CSA for its proportionate share of maintaining Jackson Plaza along with other KSS common areas.

5. General Security

SDOT contracts to provide security patrol service whose role is to monitor the interior common spaces and exterior of the facility. SDOT's security contractor provides random patrols. SDOT will ensure their security service cooperates as needed with any CSA directly hired security and communicates with CSA facilities staff if a conflict arises.

6. Pest Control

SDOT shall provide general perimeter and building pest control services (including within the Premises). Treatment of infestations caused by CSA (eg bedbugs), or its sublessees, contractors, agents, invitees, licensees or employees, shall be paid for by CSA. CSA must inform SDOT of any infestation requiring treatment. SDOT reserves the right to provide oversight of infestation treatment as well as the right to notify other tenants.

7. Window & Awning Cleaning

SDOT shall provide interior and exterior window and awning cleaning a minimum of twice per year.

8. Wayfinding

SDOT shall provide wayfinding signage on the Jackson Street Plaza (2nd floor plaza) entrance and within the interior common space locations where wayfinding signage is already placed for 3rd floor tenants.

9. Inclement Weather

SDOT will arrange for de-icing pretreatment and/or snow plowing services if necessary to access the building consistent with City and SDOT winter weather/snow and ice plans

10. Maintenance Service Request

CSA shall promptly notify SDOT, or its designated agent for King Street Station operations and maintenance, of any facility mis-operation, failure, or deficiency by submitting a work order or by calling the designated Property Management contractor in case of any maintenance emergency.

11. Performance Metrics

Performance metrics required by any government agencies, such as Seattle City Light, shall be monitored by SDOT and shared upon request to CSA. SDOT is

responsible for ensuring the performance of KSS is kept at the level required to retain its LEED status.

11. CITY ACCESS TO, AND INSPECTION, REPAIR AND IMPROVEMENT OF PREMISES AND OTHER PROPERTY

A. Access to Premises: In addition to City's right of access under Section 11, CSA shall provide City and its agents with access to the Premises at all reasonable times to inspect the same and to make any inspection, repair or improvement the Director deems necessary, but this right of access shall not impose on City any obligation to make any repair, alteration, addition, or improvement except as specifically provided herein. City shall provide CSA with reasonable notice of such inspection, repair or improvement. City shall be responsible for any direct costs borne by CSA arising from such inspection, repair or improvement and any damages caused by City during such inspection repair or improvement to the extent caused by City's negligence or willful misconduct. In no event shall any action undertaken by SDOT or the City under this Section 12.A materially disrupt operations within the Premises or alter the size or configuration of the Premises other than in a de minimis manner.

B. Access to Electrical and Mechanical Rooms: The City reserves for itself, and CSA shall ensure that CSA does not impede, unrestricted access to and use of the City Electrical and Mechanical Rooms adjacent to the Premises at all times throughout the Term.

C. City's Use of Key to Premises: CSA shall provide the Director or designee with keys with which to unlock all of the doors in, upon, and about the Premises, excluding CSA's vaults, safes, files and equipment. In cases of emergency, City may use any and all means that the Director or designee deems proper to open said doors in order to gain entry into the Premises, without liability to CSA. The City's entry into the Premises pursuant to this Section shall not be construed or deemed to be an eviction of CSA or a forcible or unlawful entry into, or a detainer of, the Premises or any portion thereof.

D. Quiet Enjoyment: SDOT covenants that CSA, on paying the Rent, charges for services and other payments herein reserved and on keeping, observing and performing all the other terms, covenants, conditions, provisions and agreements herein contained on the part of CSA to be kept, observed and performed, shall, during the Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, covenants, conditions, provisions and agreements hereof without interference by any persons lawfully claiming by or through the City or SDOT.

12. COMPLIANCE WITH LAW

A. General Requirements: CSA, at no cost to City, in connection with its use of the Premises, shall perform and comply with all applicable laws of the United States; the

State of Washington; the Charter and Municipal Code of City of Seattle; and rules, regulations, orders, and directives of administrative agencies and their officers implementing the same. Whenever CSA or its authorized representative is informed of any violation of any law, ordinance, rule, regulation, license, permit, or authorization committed by it or any person with respect to the use or occupancy of the Premises, CSA shall immediately desist from and/or prevent or correct such violation.

B. Licenses & Other Authorizations: CSA and its sublessees shall obtain and maintain all required licenses, permits, and similar legal authorizations pertaining to the conduct of its business on the Premises, and comply with all requirements thereof.

C. Taxes: CSA and its sublessees shall pay, before delinquency, all taxes, levies, and assessments arising from its activities on or occupancy of the Premises, including but not limited to taxes arising out of the activity or business conducted on the Premises; taxes levied on its property, equipment and improvements on the Premises; and taxes on CSA's interest in this Lease and any leasehold interest deemed to have been created thereby under RCW Ch. 82.29A; and if the State of Washington makes any demand upon City for payment of leasehold excise taxes resulting from CSA's occupancy of the Premises or withholds funds due to City to enforce collections of leasehold excise taxes, CSA shall remit the taxes demanded together with any interest and penalties associated therewith or, at no expense to City, contest such collection action and indemnify City for all sums expended by, or withheld by the State of Washington from City in connection with such taxation. If CSA is exempt from any tax, a document from the taxing authority demonstrating CSA's exemption must be provided to the Director or designee.

D. Nondiscrimination: CSA shall comply with all applicable equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and the City of Seattle, including but not limited to Chapters 14.04, 14.10, and 20.42 of the Seattle Municipal Code (SMC), as they may be amended; and rules, regulations, orders, and directives of the associated administrative agencies and their officers.

CSA shall comply with the Americans with Disabilities Act 2010 Standards for accessible design, which in addition to existing federal, state, and city non-discrimination laws, extends the same civil rights protection to persons with disabilities, which have already been granted on the basis of race, color, religion, sex, age and national origin requirements.

CSA shall also make every reasonable effort to increase public awareness and sensitivity to persons with disabilities. Among other things, CSA shall:

1. Provide advance notification of events with the statement "accommodation for persons with disabilities upon request."
2. Provide alternate forms of communication if requested.

CSA shall also make every reasonable effort to provide language access to members of the public.

13. ENVIRONMENTAL STANDARDS

CSA shall not, without City's prior written consent, keep on or about the Premises or King Street Station any substance designated as, or containing any component now or hereafter designated as hazardous, dangerous, toxic or harmful and/or subject to regulation under any federal, state or local law, regulation or ordinance ("Hazardous Substances"), except customary office and janitorial supplies in normal quantities handled in compliance with applicable laws. With respect to any Hazardous Substances stored with City's consent, CSA shall promptly, timely and completely comply with all governmental requirements for reporting and record keeping; submit to City true and correct copies of all reports, manifests and identification numbers at the same time as they are required to be and/or are submitted to the appropriate governmental authorities; within five (5) days after City's request therefore, provide evidence satisfactory to City of CSA's compliance with all applicable governmental rules, regulations and requirements; and comply with all governmental rules, regulations and requirements regarding the proper and lawful use, sale, transportation, generation, treatment and disposal of Hazardous Substances.

CSA shall provide the Director or designee with CSA's USEPA Waste Generator Number (if any), and with a copy of every Material Safety Data Sheet (MSDS), Generator Annual Dangerous Waste Report, environmentally related regulatory permit or approval (including every revision or renewal thereof) and any correspondence CSA receives from, or provides to, any governmental unit or agency concerning CSA's handling of Hazardous Substances or the presence, or possible presence, of any Hazardous Substance on or about the Premises. If CSA violates any of the terms of this section concerning the presence or use of Hazardous Substances or the handling or storing of hazardous wastes, CSA shall promptly take such action as is necessary to mitigate and correct the violation. If CSA does not act in a prudent and prompt manner, City reserves the right, but not the obligation, to act in place of CSA, to come onto the Premises and to take such action as City deems necessary to ensure compliance or to mitigate the violation. If the Director or designee has a reasonable belief that CSA is in violation of any law or regulation, or that any action or inaction of CSA presents a threat of violation or a threat of damage to the Premises, City reserves the right to enter onto the Premises and take such corrective or mitigating action as the Director or designee deems necessary. All reasonable costs and expenses incurred by City in connection with any such action shall become immediately due and payable as additional rent by CSA within ten (10) days' after City's presentation of an invoice therefore.

In the event that CSA violates the terms of this Section 14, any and all reasonable costs and expenses City incurs in connection with City's inspections of the Premises and City's monitoring of CSA's compliance with this Section 14 thereafter, including City's attorneys' fees and costs, shall be additional rent and shall be due and payable to City within ten (10) days after City's demand therefor. In the event that CSA violates the

terms of this Section 14, CSA shall be fully and completely liable to City for any and all cleanup costs and expenses and any and all other charges, expenses, fees, fines, penalties (both, civil and criminal) and costs imposed with respect to CSA's use, disposal, transportation, generation and/or sale of Hazardous Substances in or about the Premises or Building. In addition to all other indemnity provisions of this Lease, CSA shall indemnify, defend, and hold City harmless from any and all costs, fees, penalties, charges and expenses, claims, suits, and liabilities assessed against, or imposed upon City, including without limitation cleanup or other remedial costs (and including reasonable attorneys' fees, costs and all other reasonable litigation expenses when incurred and whether incurred in defense of actual litigation or in reasonable anticipation of litigation) as a result of CSA's use, storage, disposal, transportation, generation and/or sale of Hazardous Substances. This indemnity shall survive termination or expiration of this Lease.

If during the performance of the Initial Improvements or any subsequent alterations within the Premises, the removal, encapsulation or other remediation of Hazardous Substances (other than Hazardous Substances introduced by CSA or any of its agents, representatives, employees or invitees) determined to be present in the Premises or King Street Station shall be required pursuant to any applicable laws or because such Hazardous Substances would be disturbed by the Initial Improvements or any subsequent alterations within the Premises, such removal, encapsulation or other remediation shall be promptly performed by SDOT, at SDOT's expense, and any damage to the Premises by reason of such removal, remediation or encapsulation shall be repaired by SDOT. SDOT shall also bear any reasonable and documented increase in the costs of any work performed by CSA directly attributable to the presence of such Hazardous Substances in the Premises and not introduced by CSA or any of its agents, representatives, employees or invitees. If as a result of the presence of any such Hazardous Substances in the Premises CSA is required to cease the conduct of its business in the Premises, there shall be a commensurate abatement of Rent equal to the number of days of prevented use of the Premises resulting from the presence of such Hazardous Substances.

14. CITY'S CONTROL OF BUILDINGS, GROUNDS & ACTIVITIES

Notwithstanding any other provision of this Lease and without limiting the City's general authority over King Street Station and other municipal properties, the City may, without liability of any kind:

A. Physical Appearance: Increase, reduce or change, in any manner and to any extent whatsoever, the number, appearance, dimensions, and location of any and every King Street Station walkway, landscaping element, parking, service area, and other common area within the building.

B. Events: Erect, display and remove promotional exhibits and materials and permit special events on the King Street Station grounds and in the building.

E. Rules & Regulations: Promulgate, from time to time, reasonable rules and regulations of general applicability regarding the use and occupancy of any area of King Street Station so long as such rules do not impact CSA's rights or financial obligations under this Lease other than in a de minimis manner. In the event of any conflict between such rules and this Lease, this Lease shall govern.

F. Other Businesses & Operations: Change the size, number, type and identity of other businesses and operations being conducted or undertaken at King Street Station, and authorize others, directly or indirectly, to sell food, beverages, merchandise and services, including any that may be identical or similar to that which CSA or its sublessees offer. CSA acknowledges and agrees that no representations have been made regarding, and this Lease is not predicated on, continued operation of existing passenger rail operations.

G. Interference: Interfere with light, air or view, either in connection with or as a result of operations by or for City in the construction of any public work or its subsequent use and occupancy, or the repair and maintenance of any City facility or improvement. The City will make a good faith effort, however, to minimize such interference to the extent it is reasonably economical for City to do so.

15. ASSIGNMENTS, SUBLEASES & OTHER INTEREST TRANSFERS

A. Director's Prior Written Consent Required: CSA may enter into subleases for all or any portion of the Premises without the Director or designee's consent, as further described in Section 16.B below. Except as otherwise provided in the immediately preceding sentence, CSA shall not assign, mortgage, or otherwise transfer or encumber this Lease without the Director or designee's prior written consent, which may be withheld or conditioned only in the Director or designee's reasonable discretion. Consent to any such transfer shall not waive the need for consent to any subsequent transfer if required under this Section 16.A.

B. Subleases: As described above, CSA may enter into subleases for all or any portion of the Premises without the Director or designee's consent during the Term. Sublessees shall assume, in writing, all of CSA's obligations under the Lease with respect to the portion of the Premises involved and the portion of the Term involved, and such sublessee must agree, in writing, to be jointly and severally liable for the performance of all of CSA's obligations under this Lease with respect to the portion of the Premises involved and the portion of the Term involved.

16. EXCUSE & SUSPENSION OF OBLIGATIONS (FORCE MAJEURE)

If a party's performance under this Lease is prevented by an unforeseeable act of nature, war or war-like operations, civil commotion, riot, labor dispute, including a strike, lockout, or walkout; sabotage, Federal or State regulation or control, or other

condition beyond the reasonable control of such party, then performance of such affected obligation shall be suspended (excluding, however, any monetary obligations, which shall continue to be due and payable), but only for the duration of such condition. The existence of more than one (1) such condition on a given day shall result in only a one (1) day suspension.

17. DAMAGE OR DESTRUCTION

A. Report of Damage or Destruction: CSA shall submit a written report to the Director or designee, in care of the Contracts and Concessions Office, regarding the circumstances of any damage to the Premises or any of CSA's improvements thereto that is not readily knowable by the Director or designee, within twenty-four (24) hours after its discovery.

B. Termination Rights in Event of Damage or Destruction: If the Premises or Building are damaged or destroyed by fire or other casualty and any of the following circumstances apply, then this Lease may be terminated as provided below. In the event of such termination, CSA shall promptly pay City an equitable amount of any insurance proceeds on account of damage or destruction for the portion of the Initial Improvements that the City has then paid for through the application of the Initial Improvement Rent Credit described in Section 5 (as reasonably determined by CSA). All other insurance proceeds related to the Initial Improvements shall be retained by CSA.

1. Either party may terminate the Lease if fifty percent (50%) or more of the Premises are damaged or destroyed; provided, however, if the City terminates this Lease under this clause (1), CSA shall have the option to nullify such termination by delivering written notice to the City of such election within twenty (20) days of receipt of the City's termination notice and notifying the City, in such election notice, that CSA shall be solely responsible for restoring the Premises to the condition prior to such fire or other casualty.
2. The City or CSA may terminate the Lease if the terminating party desires to discontinue CSA's operations because of substantial destruction of the Building, regardless of whether the Premises are destroyed or damaged; provided, however, the City may only exercise such termination right if (i) reconstruction will take longer than three hundred sixty (360) days from building permit issuance, and (ii) the City terminates all other leases or license agreements in the Building.
3. CSA may terminate the Lease if it reasonably determines that the total insurance proceeds payable to CSA, together with the amount of any applicable deductible, are insufficient to enable the Initial Improvements and any subsequent alterations to be rebuilt, repaired and restored after their damage or destruction to a condition suitable to continue the permitted Use hereunder.

Notice of termination pursuant to this Section shall be provided within sixty (60) days after the occurrence of the damage or destruction and shall specify the effective date of such termination.

C. Rebuilding, Repair & Restoration: If this Lease is not terminated following an event of damage or destruction, then the City shall restore the building as nearly as possible to its condition immediately before the damage or destruction and the Premises to a “vanilla shell” condition. Thereafter, CSA or the City, at the City's election, shall promptly repair or restore the Initial Improvements and any subsequent alterations made by CSA as nearly as possible to their condition immediately before the damage or destruction, using all available insurance proceeds. Upon completion of the repairs or restoration, CSA shall immediately re-occupy the whole of the Premises, the Rent abatement or reduction provided pursuant to this Section 18.D, if any, shall be discontinued and the full Rent shall again be due and payable. Unless arising from the gross negligence or willful misconduct of the City or the City's or SDOT's breach of the terms of this Lease, the City shall not be liable to CSA for damages, compensation or any other sum for inconvenience, loss of business, or disruption arising from any repair to or restoration of any portion of the Premises or the Building in which the Premises are located.

D. Rent Obligation in Event of Damage or Destruction: If the Premises are destroyed or damaged by fire or other casualty not caused by the gross negligence or willful misconduct of CSA or any of its officers, employees, contractors, agents, invitees, or guests, and such destruction or damage is so extensive as to render all or a portion of the Premises unusable (either because of the need to rebuild or to clean and refurbish the same) and CSA has given City timely notice of such destruction or damage, CSA's obligation to pay Rent shall be proportionally abated based on the square footage of the portion of the Premises unusable by CSA, until the date that the affected portion of the Premises are usable or should have been made usable had CSA diligently prosecuted such repair, rebuilding, and restoration work to be performed by it under Section 18.C.

18. DEFAULT & BREACH

A. Definition: If CSA fails to keep or perform any covenant, term or condition of this Lease beyond any applicable cure period, or if CSA files or is the subject to a petition in bankruptcy, or if a trustee or receiver is appointed for CSA's assets or if CSA makes an assignment for the benefit of creditors, or if CSA is adjudicated insolvent, CSA shall be in default of this Lease ("Default").

B. City's Notice of Default & Breach: If CSA is in Default – defined as any breach of lease terms not cured after reasonable notice and opportunity to remedy - the City shall provide written notice to CSA, specifying the nature of the Default and City's intention to terminate this Lease if the Default is not corrected within Thirty (30) days; provided, however, that if the nature of CSA's obligation is such that more than thirty (30) days is required for performance, then CSA shall not be in Default if CSA commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

C. Remedies: If CSA fails to timely cure any Default the City may (a) terminate this Lease without any further proceedings and (b) re-enter the Premises and lease and license others to use the Premises during any portion of the period of use remaining under this Lease had it not been terminated and receive compensation therefor. Such re-entry shall not extinguish CSA's liability for the Rent and any other sums due City under the Lease; provided, that CSA shall only be required to pay to City the difference between what City would have received under the Lease had the re-entry not occurred and the rent City is able to recover in mitigation. City shall take reasonable steps to mitigate any damages due to CSA's termination, as further described in Section 21.E, below. CSA's payments due hereunder, if any, shall be made monthly, within thirty (30) days after the date of City's invoice to CSA and shall be subject to the late fees and interest provided for in Section 5.F of this Lease. CSA shall also be liable for and shall reimburse City for any other amount City incurs as a result of CSA's Default including, but not limited to, any costs or expenses City incurs in retaking possession of the Premises, maintaining or preserving the Premises after such Default, preparing the Premises for reletting to a new tenant (including repairs or alterations to the Premises for such reletting), leasing commissions, and any other costs necessary or appropriate to relet the Premises, provided that all of the foregoing costs related to preparing or altering the Premises for reletting and broker's commissions shall be apportioned over the term of the replacement lease on a straight line basis and only those expenses allocable to the remaining term of this Lease shall be debited to CSA. If City re-enters the Premises, City shall have the right, but not the obligation, to remove therefrom all or any part of the personal property located therein and may place the same in storage at a public warehouse at CSA's expense and risk. CSA's obligations under this Section shall survive the termination of this Lease.

D. Adequate Security: If a petition is filed by or against CSA under any provision of the Bankruptcy Code or successor act, City reserves the right to require CSA to post a cash bond with the City equal to six (6) months' Rent plus such additional sums as to provide City with adequate security for CSA's performance of its obligations under this Lease.

E. Criteria for Substitute Tenant: The City's obligation to mitigate damages after a Default that results in City's regaining possession of all or part of the Premises shall be satisfied, in full, if City undertakes to lease the Premises to another tenant (a "Substitute Tenant") in accordance with the following criteria:

The City shall have no obligation to solicit or entertain negotiations with any other prospective tenants for the Premises until City obtains full and complete possession of the Premises including, without limitation, the final and unappealable legal right to re-let the Premises free of any claim of CSA.

The City shall not be obligated to offer the Premises to any prospective tenant when other Premises within King Street Station suitable for that prospective tenant's use are currently available or will be available within three months from the date of Default.

The City shall not be obligated to lease the Premises to a Substitute Tenant for a rental less than the lower of (1) the Rent CSA was paying, or (2) 95% of the current fair market rental then prevailing for comparable facilities in the same market area as King Street Station. City shall not be obligated to enter into a new lease under terms and conditions that are unacceptable to City under City's then-current leasing policies for comparable space at the King Street Station.

The City shall not be obligated to enter into a lease with any proposed Substitute Tenant that does not have, in the Director or designee's reasonable opinion, sufficient financial resource or operating experience. City shall not be required to expend any amount of money to alter, remodel, or otherwise make the Premises suitable for use by a Substitute Tenant unless:

CSA pays any such sum (Calculated in accordance with Section 19.C) to the City in advance of the City's execution of a lease with such Substitute Tenant (which payment shall not be in lieu of any damages or other sums to which City may be entitled to as a result of CSA's default under this Lease); or

City, in the Director or designee's sole discretion, determines that any such expenditure is financially justified in connection with entering into any lease with such Substitute Tenant.

The City shall not be obligated to enter into a lease with any Substitute Tenant whose use would disrupt the tenant mix or balance of King Street Station; or adversely affect the reputation of King Street Station; or be incompatible with the operation of King Street Station as a train station or arts and culture center.

F. Default by City: City shall not be in default of any obligation under this Lease unless City fails to perform such obligation within a reasonable time, which time shall not extend more than thirty (30) days after written notice by CSA to the Director or designee specifying the particular obligation that City has failed to perform. However, if the nature of City's obligation is such that more than thirty (30) days are required for performance, then City shall not be in default if City commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

19. REMEDIES CUMULATIVE

Rights under this Lease are cumulative; failure to exercise on any occasion any right shall not operate to forfeit such right on another occasion. Each party shall also have any remedy available at law. The use of one remedy shall not be taken to exclude or waive the right to use another.

20. SURRENDER OF PREMISES

A. Surrender & Delivery: Upon the expiration or termination of this Lease, whichever is earlier, CSA shall surrender the Premises in a broom-clean condition, reasonable wear and tear excepted. CSA shall promptly deliver to the Director or designee all keys CSA and any of its officers, agents and employees have to the Premises or any other part of King Street Station. Immediately after vacating the Premises and their surrender to the City, a representative of CSA and City shall jointly inspect the Premises to determine their condition. The Director or designee shall summarize the results of such inspection on a "Premises Inspection Report," a copy of which shall be provided to CSA. If the Director or or designee reasonably determines that CSA has failed to surrender the Premises in a broom-clean condition, the Director or designee may have the Premises cleaned at CSA's expense, including administrative costs.

B. Removal of CSA's Property: Before the expiration of this Lease, or if this Lease is terminated, then within fifteen (15) days after the termination date, CSA shall remove, at its sole expense, all trade equipment and personal property owned or installed by CSA in or on the Premises, unless the Director or designee agrees, in writing, that any items may stay. In removing its property, CSA shall take care to not injure or damage the Premises and shall repair the Premises as necessary to restore them to their condition as of the commencement date of this Lease, ordinary wear and tear and approved improvements, additions, and alterations excepted.

C. Storage of CSA's Property: If CSA fails to remove its trade equipment and personal property as required, City may, but shall not be required, to remove such material from the Premises and store the same, all at CSA's risk and expense. If City removes or arranges for the storage of such material, CSA shall reimburse City for all costs related to the removal, including any restoration and administrative costs.

D. No Claim for Removal: CSA shall not make any claim or demand upon City nor shall City be liable for any inconvenience, annoyance, disturbance, or loss of business or any other damage suffered by CSA arising out of removal operations under this Section.

21. NOTICES

Notices from either party to the other required hereunder shall be in writing and delivered or mailed, postage prepaid, to the intended recipient at the address specified on the signature page of this Lease, or to such other address as may be specified from time to time by either party, by notice to the other party.

22. NO RELATIONSHIP ESTABLISHED

The City is not a partner, associate, or joint venturer of CSA, or any party associated with CSA. CSA is not an agent of City for any purpose whatsoever. CSA shall not create any obligation or responsibility on behalf of City or bind City in any manner.

23. AUTHORITY OF DIRECTOR

No action of the Director, or the Director's designee on his behalf, pursuant to or in implementation of this Lease shall constitute any official action by any other City department or official that may be required by law, ordinance, rule or regulation before CSA may rightfully commence, suspend, enlarge, or terminate any particular undertaking or exercise any particular right or privilege under this Lease.

24. AMENDMENTS

No modification or amendment of the terms hereof shall be effective unless in writing and signed by the authorized representative of each of the parties hereto.

25. NO WAIVER

Nothing other than a written document signed personally by the Director or such official's designee and specifically declaring a City intent to waive a particular breach or Default by CSA shall constitute a waiver of such breach or Default. No such document shall waive CSA's failure to fully comply with any term or condition of this Lease not specifically referenced therein, irrespective of any knowledge any City officer or employee may have of such breach, Default, or noncompliance. No waiver by either party shall be construed to be, or operate as, a waiver of any subsequent Default in full performance of any provision of this Lease. The payment or acceptance of any Rent, other sums due, or other compensation, whether after a Default or from a sublessee or assignee, shall not be deemed to constitute consent to or acceptance of such Default or acceptance of defective or incomplete performance in the future.

26. CAPTIONS

The titles of Sections or other parts of this Lease are for convenience only and do not define or limit the contents.

27. INVALIDITY OF PARTICULAR PROVISIONS

Should any term, provision, condition, or other portion of this Lease or the application thereof be held to be inoperative, invalid or unenforceable, the remainder of this Lease or the application of such term or provision to a person or circumstances other than those to which it is held invalid or unenforceable shall not be affected hereby and shall continue in full force and effect.

28. BINDING EFFECT

The provision, covenants, and conditions contained in this Lease apply to and shall bind the parties, their legal heirs, representatives, successors, and assigns. By its signature

below, SDOT represents and warrants that it has authority to sign this Lease on behalf of the City.

29. NO BROKER

CSA represents and warrants that there is no claim for any brokerage commission or finder's fee due to a third-party's relationship with CSA in connection with the execution of this Lease.

30. ACKNOWLEDGEMENT OF NEGOTIATED LEASE; APPLICABLE LAW

The parties to this Lease acknowledge that it is a negotiated lease, that they have had the opportunity to have the Lease reviewed by their respective legal counsel, and that the terms and conditions of this Lease are not to be construed against any party on the basis of such party's draftsmanship thereof. This Lease shall be governed by and construed under the laws of the State of Washington. The venue of any action brought to enforce the terms of this Lease shall be King County Superior Court.

31. EMINENT DOMAIN

A. Total Taking: If there is a Total Taking, this Lease shall terminate as of the date of the taking of physical possession of the Premises. A "Total Taking" shall be defined as when (i) the entire Premises are taken or appropriated under the power of eminent domain (other than by City of Seattle), or (i) when less than the entire Premises are taken or appropriated under the power of eminent domain (other than by City of Seattle), but where CSA's use of the Premises is materially interfered with (as reasonably determined by CSA). Upon the date of such taking or transfer, the Term of this Lease shall expire as fully and completely as if such date were the date hereinabove set forth for the end of the Term of this Lease and CSA shall thereupon vacate the Premises, without prejudice to any rights and remedies accrued to City under this Lease before such termination and any Rent paid or payable by CSA shall be adjusted as of the date of such termination.

B. Partial Taking: If there is a "Partial Taking," defined as a taking or appropriation under the power of eminent domain (other than by City of Seattle) other than a Total Taking, then the Lease shall continue in full force and effect; provided, however, that City shall proceed as promptly as is practicable to restore the Premises to an architectural unit as nearly comparable as is reasonable to the unit existing just before such taking or transfer, and the Rent shall be abated in the ratio which the part of the floor area of the Premises so taken or transferred, if any, bears to the entire floor area of Premises immediately before such taking or transfer.

C. Condemnation Award: The entire award for the taking under any right of condemnation or eminent domain or any transfer in lieu thereof shall belong to City, and CSA shall not be entitled to any part thereof or entitled to recover damages for the loss of its leasehold estate or other interest in the Premises and hereby assigns to City,

subject to the following sentence, all of its right, title and interest in and to any such award. CSA shall have the right, however, to claim and recover from the condemning authority compensation for any loss to which CSA may be put for CSA's relocation assistance, moving expenses or the taking or transfer of CSA's Initial Improvements, subsequent alterations or personal property (not including CSA's leasehold interest).

32. ENTIRE AGREEMENT

This instrument, including the exhibits and attachments hereto, and the Construction Agreement referred to in Section 4.A, constitutes the entire agreement between City and CSA relative to the Premises. City and CSA agree that all prior or contemporaneous oral agreements between and among themselves and their agents or representatives relative to the leasing of the Premises are superseded by this Lease.

33. EXHIBITS

The following exhibits are made a part of this Lease:

- Exhibit A: CSA Public Development Authority Charter
- Exhibit B-1: King Street Station Property Legal Description
- Exhibit B-2: Premises Floor Plan
- Exhibit C: Depiction of Common Areas
- Exhibit D: Renewal Options
- Exhibit E: Description of Initial Improvements

34. COMMUNICATION AND PROBLEM RESOLUTION

A. Routine Communication: Routine interactions between tenants are expected to occur on a continual basis. CSA will actively participate in key stakeholder meetings that are established to provide regular facilitated planning and coordination. SDOT shall lead a recurring (minimum quarterly) tenant meeting to cover the following topics:

- Safety review, communication of incidents and actions taken
- Emergency Planning, confirm tenants have plans and resources
- Event schedule, review calendar of events and peak use
- Concerns, raise any facility or co-occupancy concerns
- General Maintenance updates

B. Escalation Process: Disputes or performance issues shall be resolved at the lowest level possible but will be escalated up as needed by either party for a direct consideration and resolution. The first escalation path is to raise the issue to SDOT's Building Manager. Should the issue remain unresolved; the dispute shall be directed to the respective Lease Agreement Administrators as named next to each party's signature below. The Administrators shall meet to resolve the dispute. If this does not lead to resolution, escalated dispute shall be directed to the CSA and SDOT Directors.

C. Adjacent Area Coordination: SDOT and CSA and its sublessees will communicate and coordinate with each other, the Office of Arts & Culture, Amtrak and any other building tenants about any activities taking place in adjoining spaces at the facility.

35. AGREEMENT MAINTENANCE

- A. Amendments and change process: Future changes to this Lease Agreement can be mutually negotiated and amended during the term of the Lease with the written consent of the CSA and Directors.
- B. Terminations and Renewal: The Lease Agreement may be extended or terminated by mutual consent of the department Directors or as provided in Section 3, Exhibit D, and Sections 18 and 19.

36. SIGNATURES

The following parties hereby agree to all the terms and conditions of this Lease Agreement.

SEATTLE DEPARTMENT OF TRANSPORTATION

Greg Spotts
SDOT Director

Date

Lease Agreement Administrator: _____

STATE OF _____)

) ss.

COUNTY OF _____)

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

(Check if applicable) This notarial act involved the use of communication technology.

DATED this _____ day of _____, 20____.

NOTARY PUBLIC in and for the State of _____, residing at _____

Name (printed or typed)
My appointment expires: _____

**EXHIBIT A
CSA PUBLIC DEVELOPMENT AUTHORITY CHARTER**

CULTURAL SPACE AGENCY

a mission-driven values-based cultural real estate development company

Monica Martinez Simmons
Clerk to the City of Seattle
600 4th Avenue, Third Floor
Seattle, Washington 98104

November 2, 2020

Dear Ms. Martinez Simmons,

It is with great pride in our work, and with increasing hope for the future, that we, the undersigned, present the attached two original copies of the Charter for a new public development authority for Mayor Durkan's consideration, pursuant to Section 3.110.090 of the Seattle Municipal Code.

The name of the new public development authority is The Cultural Space Agency.

The duration of the new authority is perpetual.

The purpose of the new authority is to develop cultural space real estate projects; to do so in a way that reflects the needs and desires of communities that have borne the burden of our shared history of institutional racism; to build community wealth through investment opportunities in cultural real estate projects; and to partner with both mission-driven commercial real estate developers, and with cultural community stakeholders and organizations, to create real property projects that reflect the interests and priorities of both.

The charter we are requesting is attached. It has been developed through a years-long community engagement process and reflects input from multiple stakeholders, including City staff, community partners, legal representation from the City Attorney's Office, and advice from Pacifica Law Group based on that firm's long experience representing City-chartered public development authorities.

Also attached please find the initial rules and regulations for the new authority.

The funds to support the new organization (\$1,000,000) are dedicated through the Office of Arts & Culture's 2021 and 2022 budget authority.

We volunteer ourselves as the interim governing Councilmembers for the new authority until the more permanent Council can be established. Our names and addresses are attached.

We await the City's reply with hopeful anticipation.


Best,


Cassie Chinn
Wing Luke Museum


Sarah Wilke
University of Washington


Vivian Phillips
Independent Arts Consultant


Cote Soerens
Resistencia


Tim Lennon
Langston

(Clerk's File #321818)

37.
38.



The Honorable Jenny A. Durkan, Mayor
City of Seattle

November 2, 2020

Mayor Durkan,

We the undersigned represent the leadership of the Departments and Offices of the City of Seattle whose work most closely aligns with the mission and operations of the Cultural Space Agency described in the attached.

Together we recommend the creation of this new entity, and we affirm our intent to support the launch and ongoing operations of the Cultural Space Agency.

- We commit to serving, or serving through senior staff proxy, on an Interdepartmental Team (IDT) dedicated to this work.
- We commit to identifying financial resources with which to support the Cultural Space Agency.

Respectfully,

Randy Engstrom
Director, Office of Arts & Culture

Emily Alvarado
Director, Office of Housing

Sam Assefa
Director, Office of Planning and Community Development

Jessica Finn Coven
Director, Office of Sustainability and the Environment

Jesús Aguirre
Superintendent, Department of Parks & Recreation

Bobby Lee
Director, Office of Economic Development

Mariko Lockhart
Director, Office for Civil Rights

Andres Mantilla
Director, Department of Neighborhoods

Robert Nellams
Director, Seattle Center

Nathan Torgelson
Director, Department of Construction and Inspections

Tina Walha
Director, Innovation & Performance Unit

CULTURAL SPACE AGENCY

a mission-driven values-based cultural real estate development company

Names and Addresses of Persons Nominated as the Initial Corporate Officials

Cassie Chinn

The Wing Luke Museum of the Asian Pacific American Experience
719 South King Street
Seattle, WA 98104

Randy Engstrom (*ex officio*)

The Seattle Office of Arts & Culture
PO Box 94748
Seattle, WA 98124-4748

Tim Lennon

LANGSTON
104 17th Avenue South
Seattle, WA 98144

Vivian Phillips

Arts Consultant
c/o LANGSTON
104 17th Avenue South
Seattle, WA 98144

Coté Soerens

Resistencia
1249 South Cloverdale Street
Seattle, WA 98108

Sarah Wilke

Meany Center for the Performing Arts
University of Washington
4040 George Washington Lane Northeast
Seattle, WA 98195

CHARTER

of

The Cultural Space Agency

a public development authority

PREAMBLE

The Cultural Space Agency (the “Agency”) is organized as a mission-driven and values-based cultural space real estate development company. It is dedicated to the support of cultural spaces throughout the region, and is committed to centering racial equity, to fighting cultural and economic displacement, to building community wealth, and to retaining cultural identity in what has long been the fastest-growing city and region in the United States. It is intended to work in partnership with an associated nonprofit corporation to maximize the benefits of both organizational structures.

The Cultural Space Agency is also integrated into a framework of civic recovery in a COVID-19 context. From the very founding of the City of Seattle, our growth has benefitted some and pushed out others, amplifying divisions between those with access to opportunity and those without. The COVID crisis exacerbated this inequity of prosperity and created opportunities to further consolidate wealth and property ownership. The Cultural Space Agency is designed to re-equalize these opportunities; to leverage civic and philanthropic investments on behalf of equitable development strategies, and to center the celebration of cultural richness as a primary strategy towards rebuilding civic health and wealth.

The Cultural Space Agency is rooted in a suite of values that were expressed through multiple years of community engagement. As those values are truly the organizing principles of the Cultural Space Agency, we repeat them here, to codify them into the foundational document of the corporation:

Keep Race in the Room: Center the needs of communities of color.

Build Community Wealth: Create structures that support literal property ownership by community members and organizations.

Who Decides Who Decides?: Create transparent decision-making pathways where power flows from community to organizational leadership.

Assets are not Always Financial: Find ways to value intergenerational knowledge, sweat equity, cultural traditions, social networks, and other non-financial assets found in community.

Always be Learning: Question dominant cultural assumptions and be inquisitive.

The Cultural Space Agency has been designed through partnerships with eight City departments and offices, over fifty community cultural organizations, and was the subject of an extensive Racial Equity Toolkit. It is designed to respond to the needs of

communities of color, with particular focus on the needs of Black and Indigenous communities.

The organization is designed to build community wealth and to bring cultural and racial equity to property investments – to provide vulnerable operators with the *agency* to make decisions about their own cultural spaces. It is designed as an intermediary, an organization that can connect and work equally well with government, with commercial real estate investors and developers, and with cultural organizations, artists, and small businesses.

Article I

NAME AND SEAL

The name of this corporation shall be The Cultural Space Agency (hereinafter both "The Cultural Space Agency" and simply the "Agency"). The corporate seal shall be a circle with the name "The Cultural Space Agency" inscribed therein.

Article II

AUTHORITY AND LIMIT ON LIABILITY

1. Authority
 - A. The Cultural Space Agency is organized pursuant to Ordinance 103387 of the City of Seattle (codified in Chapter 3.110 of the Seattle Municipal Code), and Chapter 37, Laws of 1974, First Extraordinary Session (43rd Leg. 3rd Extra. Sess.).

Chapter 37, Laws of 1974, First Extraordinary Session (43rd Leg. 3rd Extra. Sess.) provides as follows:

All liabilities incurred by such public corporation, commission or authority shall be satisfied exclusively from the assets and credit of such public corporation, commission or authority and no creditor or other person shall have any right of action against the city, town or county creating such corporation, commission or authority on account of any debts, obligations or liabilities of such public corporation, commission or authority.

The language of Section 1.A immediately above is included in this Charter pursuant to the mandates of SMC 3.110.140.A.3 (Ordinance 103387 § 14, 1974).

Pursuant to SMC 3.110.160:

The City Council by resolution may amend the statement required by Section 3.110.140 A3 from time to time to reflect any subsequent state legislation amending or supplementing Chapter 37, Laws of 1974, First Extraordinary Session (43rd Leg. 3rd Extra. Sess.), or recodification of such sections, and such amendatory statement shall be attached as an amendment to the charter of the public corporation.

For the purposes of this Charter, “Chapter 37, Laws of 1974, First Extraordinary Session (43rd Leg. 3rd Extra. Sess.)” means RCW 35.21.660, 35.21.670, and 35.21.730 through 35.21.755, as written on the date of the issuance of this Charter.

2. Relationship to Partner Nonprofit Corporation

- A. The Agency is intended to hold and manage real estate assets on behalf of the partner nonprofit corporation. The Agency’s Council shall not commence real estate asset holdings and management for the partner nonprofit corporation until the Agency’s Council, by resolution, approves a contract with the partner nonprofit corporation to address the scope of real estate asset holdings and management services, and any related costs or fees.
- B. The Agency is also intended to provide oversight on the acquisition and disposition of those assets to further the purposes of the two organizations.

3. Limit on Liability

All liabilities incurred by the Cultural Space Agency shall be satisfied exclusively from the assets and properties of the Agency and no creditor or other person shall have any right of action against the City of Seattle on account of any debts, obligations, or liabilities of the Agency.

4. Mandatory Disclaimer

The following disclaimer shall be posted in a prominent place where the public may readily see it in the Cultural Space Agency’s principal and other offices. It shall also be printed or stamped on all contracts, bonds, and other documents that may entail any debt or liability by the Cultural Space Agency:

The Cultural Space Agency public development authority is organized pursuant to Seattle Municipal Code (SMC) 3.110 and RCW 35.21.660, 35.21.670, and 35.21.730-755. RCW 35.21.750 provides as follows: “All liabilities incurred by such public corporation, commission, or authority shall be satisfied exclusively from the assets and properties of such public corporation, commission, or authority and no creditor or other person shall have any right of action against the city, town, or county creating such corporation, commission, or authority on account of any debts, obligations, or liabilities of such public corporation, commission, or authority.”

Article III

COMMENCEMENT AND DURATION OF THE CULTURAL SPACE AGENCY

The Cultural Space Agency shall commence its existence effective upon filing its Charter as issued and attested. The duration of the Cultural Space Agency shall be perpetual unless terminated by City Council resolution pursuant to SMC 3.110.460 or as required by State law.

Article IV

PURPOSE

The purpose of the Cultural Space Agency is to provide a legal entity under RCW 35.21.660, 35.21.670, and 35.21.730 through 35.21.755, and Seattle Municipal Code Chapter 3.110 (Public Corporations) through which persons will be afforded a structure to work for the creation, acquisition, activation, and long-term preservation of cultural spaces. Additionally, the purpose includes encouraging the expansion of real property assets belonging to organizations aligned with the Agency's goals and to increase their sustainability. Finally, the Agency seeks to reduce wealth disparities between cultural communities and the broader economy. The Cultural Space Agency will prioritize projects and activities that reduce disparities identified by the City of Seattle's Race and Social Justice Initiative and/or equivalent racial justice programs.

Employing the powers and capabilities conferred by State and City Law, the Agency intends to promote, assist, and encourage the acquisition, preservation, restoration, and development of structures and cultural spaces in areas that will assist with the promotion of cultural life for City of Seattle residents, visitors, and workers. These efforts will be conducted in a manner that affords expanded opportunities for artists, cultural workers, members for the creative economy, and others who support cultural anchors and institutions, to carry out their activities.

The Agency will undertake the development, acquisition, and operation of community-facing commercial and cultural spaces. Additionally, it may acquire or redevelop existing cultural spaces to preserve their usability and prevent the displacement of cultural anchors. The Agency seeks to increase access to the spaces that increase the cultural vibrancy and livability of the region's many diverse neighborhoods.

The Agency will pursue the sustainability of cultural spaces alongside the goal of increasing access to community wealth and asset-building opportunities. The Agency will seek opportunities to strengthen the financial well-being and stability of organizations who are partners in Cultural Space Agency projects and programming.

Article V

POWERS

The Cultural Space Agency shall have the powers granted by RCW 35.21.745 and SMC 3.110.040, 3.110.050, and 3.110.060, as the same may each be amended. Based on said authority granted by law, the Cultural Space Agency shall have the power to:

1. Own and sell, and lease and sublease, real and personal property;
2. Contract and enter into partnership with individuals, associations, corporations, the State, and the United States;
3. Sue and be sued;
4. Lend and borrow funds;
5. Do anything a natural person may do;
6. Perform all manner and type of community services and activities utilizing public or private funds;
7. Administer and execute federal, state, county, city, and other municipal grants and programs;
8. Receive and administer federal, state, county, city, and other municipal funds;
9. Provide and implement such municipal services as the City Council and Mayor may by ordinance direct;
10. Transfer, with or without consideration, any funds, real or personal property, property interests, or services received from the federal government, or private sources, or, if otherwise legal, from a city or county;
11. Receive and administer private funds, goods, or services for any lawful public purposes;
12. Purchase, lease, exchange, mortgage, encumber, improve, use or otherwise transfer or grant security interests in real or personal property or any interest therein; grant or acquire options on real and personal property; and contract regarding the income or receipts from real property;
13. Issue negotiable bonds and notes in conformity with Seattle Municipal Code 3.110.420, and applicable provisions of the Uniform Commercial Code and state law in such principal amounts as, in the discretion of the Agency, shall be necessary or appropriate to provide sufficient funds for achieving any Agency purposes or to secure financial assistance, including matching funds from the United States, for corporate projects and activities;
14. Contract for, lease, and accept transfers, gifts, or loans of funds, or property, from the United States, a state, and any political subdivision or agency of

either, including property acquired by any such governmental unit through the exercise of its power of eminent domain, and from corporations, associations, individuals or any other source, and to comply with the terms and conditions thereof;

15. Manage, on behalf of the City, any property acquired by the City through gift, purchase, construction, lease, assignment, default, or exercise of the power of eminent domain;
16. Recommend, to appropriate governmental authorities, public improvements and expenditures in the areas of the City in which the Cultural Space Agency, by its Charter, has a particular responsibility;
17. Recommend, to the Mayor and City Council, and any political subdivision or agency of either, any property which, if committed or transferred to the Agency, would materially advance the public purpose for which the Agency is chartered;
18. Initiate, carry out, and complete such improvements of benefit to the public as the Mayor and City Council may by ordinance assign;
19. Recommend, to the Mayor and City Council, such tax, financing, and security measures as the Cultural Space Agency may deem appropriate to maximize the public interest in any area in which the Agency, by its Charter, has a particular responsibility;
20. Lend its funds, property or credit or services for Agency purposes; or act as a surety or guarantor for Agency purposes;
21. Provide advisory, consultative, training, educational, and community services or advice to individuals, associations, corporation, or governmental agencies, with or without charge;
22. Control the use and disposition of Agency property, assets, credit;
23. Invest and reinvest its funds;
24. Fix and collect charges for services rendered or to be rendered, and establish the consideration for property transferred;
25. Sponsor, lease, manage, construct, own, or otherwise participate in housing and other development projects where such activity furthers the public purpose for which the Cultural Space Agency is chartered;
26. Maintain books and records as appropriate for the conduct of its affairs;
27. Conduct Agency affairs, carry on its operations, and use its property as allowed by law and consistent with Seattle Municipal Code Ch. 3.110, its Charter and its Rules and Regulations; name Cultural Space Agency officials, designate agents, and engage employees, prescribing their duties,

- qualifications, and compensation; and secure the services of consultants for professional services, technical assistance, or advice;
28. Identify and recommend, to the United States, a state, and any political subdivision or agency of either, the acquisition by the appropriate governmental entity—for transfer to or use by the Cultural Space Agency—of property and property rights which, if so acquired, whether through purchase or the exercise of eminent domain, and so transferred or used, would materially advance the purposes for which the Agency is chartered;
 29. Exercise and enjoy such powers as may be authorized by law; and
 30. Have and exercise all powers necessary or convenient to affect the purposes for which the Cultural Space Agency was organized and perform authorized corporate functions.

ARTICLE VI

LIMITS ON THE CULTURAL SPACE AGENCY'S AUTHORITY

1. All funds, assets or credit of the Cultural Space Agency shall be applied toward or expended upon municipal and community services, projects, and activities authorized by its Charter. The Cultural Space Agency shall not issue shares of stock, pay dividends, make private distribution of assets, make loans to corporate officials, or engage in business for profit.

The foregoing limitation does not preclude the following transactions or activities, and the Cultural Space Agency, unless restricted by its Charter, may:

- A. Compensate corporate officials or constituents a reasonable amount for services rendered, reimburse reasonable expenses actually incurred in performing their duties, and extend to constituents derivative benefits or projects and activities accorded to the community generally or to members of the community by criteria equally applied, and as appropriate in order to avoid unreasonably impeding attainment of widespread community participation in carrying out Agency projects and activities;
- B. Assist corporate officials or constituents as members of a general class of persons to be assisted by a project or activity to the same extent as other members of the class, and as long as no special privilege or treatment accrues to such corporate official or constituent by reason of his status or position in the Cultural Space Agency;
- C. Return to corporate officials or constituents any fees, dues, or service charges originally contributed by them and surplus to the purposes for which they were collected;
- D. Defend any corporate official, or former corporate official (including employees) in any legal or administrative proceedings in which that person is

made a party by reason of their position or former corporate position, or at the Agency's option, indemnify such corporate official or former corporate official for expenses actually or necessarily incurred that person in connection with such defense, except as to matters on which they shall be adjudged in such action or proceeding to be liable for an act or omission performed without capacity or power, or willful misconduct in the performance of duty; and

- E. Sell assets for a consideration greater than their reasonable market value or acquisition costs, or charge for services more than the expense of providing them, or otherwise secure an increment in a transaction, or carry out any other transaction or activity, as long as such gain is not the Cultural Space Agency's general object or purpose and is applied to or expended upon civic and community services, projects, and activities as aforesaid.
- 2. No funds, assets, or property of the Cultural Space Agency shall be used for any partisan political activity or to further the election or defeat of any candidate for public office; nor shall any funds or substantial part of the activities of the Cultural Space Agency be used for publicity or educational purposes designed to support or defeat legislation pending before the Congress of the United States or the legislature of this State, or the County Council or City Council, provided, however, that members and officials of the Cultural Space Agency may respond to requests by contacting members of Congress, State legislators, or City Council members for information and appear before any such legislative body in connection with funding and other matters directly affecting the Cultural Space Agency or its ability to carry out the purposes for which it is chartered.
- 3. The Cultural Space Agency shall have no power of eminent domain nor any power to levy taxes or special assessments.
- 4. The Cultural Space Agency may not incur or create any liability that permits recourse by any contracting party or member of the public to any assets, services, resources, or credit of the City of Seattle.

ARTICLE VII

ORGANIZATION OF CULTURAL SPACE AGENCY

- 1. Management of all Cultural Space Agency affairs shall reside in the Council. The Council shall be composed of no fewer than six (6) and no more than eighteen (18) members.
- 2. Initial Council Membership
At the Agency's organizational meeting (described in SMC 3.110.130), the Initial Council shall organize itself, may appoint interim officers, and may appoint nonvoting members of the Council to serve until the selection process provided

in Section 4 below is completed. The Initial Council may also select its temporary place of business and assist in organizing the constituency.

The Initial Council may only organize itself if:

- a. The City Council has confirmed a quorum of the Initial Council; or
 - b. Sixty (60) days have elapsed after the submission of Initial Council member nominations to the City Council for confirmation (including all the information required by the City Council for consideration of an appointment) without the City Council taking action.
3. Quorum: Unless otherwise specifically described in this Charter, a quorum is a simple majority of the Council's voting members, or five (5) voting members of the Council, whichever is greater.
 4. Council
 - A. Council members shall be nominated by the organization's Constituency (see Article VIII below). Those nominations shall be forwarded to the Mayor of Seattle, who shall select nominees from the Constituency's nominations, and present the Mayor's selected nominees to the Seattle City Council for approval in compliance with SMC 3.110.275.
 - B. Within eighteen months of the issuance of this Charter, the Initial Council organized as described in Section 2 above, as well as others identified and approved through the process identified in Section 4.A above, shall by resolution divide the members of the Council into three classes of six (6) members each (if there are fewer than 18 members at the time of this division, the Council shall divide into three equal, or roughly equal, groups) designated Class I, Class II, and Class III.
 - C. At the regular meeting of the Council that coincides most closely with the first anniversary of the issuance of this Charter, the terms of those members of the Council that are in Class I shall expire, provided that they shall continue in office until their successors are appointed as provided by the Seattle Municipal Code and this Charter.
 - D. At the regular meeting of the Council that coincides most closely with the second anniversary of the issuance of this Charter, the terms of those members of the Council that are in Class II shall expire, provided that they shall continue in office until their successors are appointed as provided by the Seattle Municipal Code and this Charter.
 - E. At the regular meeting of the Council that coincides most closely with the third anniversary of the issuance of this Charter, the terms of those members of the Council that are in Class III shall expire, provided that they shall continue in office until their successors are appointed as provided by the Seattle Municipal Code and this Charter.

- F. The Council vacancies created by the expiration of the term of the all Classes of members shall be filled with persons chosen from nominees presented by the Constituency to the Mayor and subject to confirmation by the City Council.
- G. This reappointment and confirmation procedure shall continue annually as to successive Classes, so that at the regular meeting of the Council that coincides most closely with each anniversary of this Charter a new Class of Council Members will take office; provided, however, that each person so selected shall hold office for the three-year term for which that person is selected and until their successor shall have been appointed; and provided that no Council member may serve more than two consecutive three-year terms.
- H. The Rules and Regulations shall provide for the filling of all vacancies other than those caused by the expiration of a regular term as defined herein. Filling of vacancies other than those caused by expiration of a regular term shall comply with SMC 3.110.275.
- I. Members of the Council must meet all of the following baseline requirements:
 - i. Members must reflect the priorities of, and demonstrate alignment with, the mission, vision, and values of the organization.
 - ii. Members must demonstrate a lived commitment to the cultural life and vitality of the city and demonstrate a depth of relationship to cultural communities.
 - iii. Members must demonstrate a commitment to, and a history of, anti-racist and racial equity work.
- J. Members must meet some of the following criteria:
 - i. Have a lived connection to anti-Blackness or to Black, Indigenous, and People of Color (BIPOC) communities that have borne the brunt of other institutional racism, and demonstrate a history of engagement with antiracist work.
 - ii. Have a lived experience with historically disinvested and marginalized communities, including but absolutely not limited to LGBTQ+ communities, the disabled, the non-neuro-normative, the formerly incarcerated, those without stable housing, the poor, the elderly, and young people, to name but a few.
 - iii. Have a significant connection to a neighborhood with high risk of displacement, a neighborhood that has experienced the negative impacts of growth, a neighborhood with low access to

- opportunity, and those individuals who have experienced unwanted displacement.
- iv. Demonstrate a rootedness in intersectional work, recognizing the various intersections of how dominant culture marginalizes those considered to be “others,” and how those intersections drive a deepened disenfranchisement.
- K. Members should ideally also have a connection to the operations, programs, and other business of the Agency. Council members are sought who demonstrate:
- i. Experience, knowledge, interest, and / or professional expertise in community organizing.
 - ii. An active practice as a working artist or culture-maker in any discipline or medium.
 - iii. Experience, knowledge, interest, and/or professional expertise in commercial real estate.
 - iv. Experience, knowledge, interest, and/or professional expertise in government relations.
 - v. Experience, knowledge, interest, and/or professional expertise in the practice of law.
- L. The executive director (or otherwise titled lead staff member) of the Agency shall sit on the Council in a non-voting *ex officio* seat. A liaison from the City of Seattle, to be identified by the Mayor, shall sit on the Council in a non-voting *ex officio* seat. Provisions in this Charter and the Rules and Regulations regarding majority votes of the Council means the majority votes of the Council’s voting members (i.e. majority of the Council excluding non-voting *ex officio* seats from the denominator when determining whether a majority vote exists).
- M. It is intended that the Agency is one-half of a pair of organizations dedicated to a shared body of work. The other half of that pair is a nonprofit corporation. Meetings of the Council and meetings of the Board of Directors of the nonprofit corporation are separate and distinct. For example, the Council’s meetings shall comply with the Open Public Meetings Act. It is intended, however, that the meetings of the two groups would happen sequentially, on the same date and in the same meeting space, and that each meeting is open to the public, so that the Council and the Board have the option of being present for the other’s regular meeting.
- N. The Council shall oversee the activities of the corporate officers, establish and/or implement policy, participate in corporate activity in matters prescribed in Section 5 of this Article VII, and shall have stewardship for

management and determination of all corporate affairs except as may be specifically reposed in the Constituency under Article VIII hereof.

5. Council Concurrence Required

General or particular authorization or concurrence of the Council by resolution shall be necessary for any of the following transactions:

- A. Transfer or conveyance of an interest in real estate other than a release of a lien or satisfaction of a mortgage after payment has been received and the execution of a lease for a current term of less than one year;
- B. The contracting of debts, issuance of notes, debentures or bonds, and the mortgaging or pledging of corporate assets to secure the same;
- C. The donation of money, property, or other assets belonging to the Cultural Space Agency;
- D. An action by the Cultural Space Agency as a surety or guarantor;
- E. All transactions in which:
 - a. The consideration exchanged or received by the Cultural Space Agency exceeds \$50,000, subject to adjustments based on the annual percentage change (increase or decrease) in the Seattle-Tacoma-Bremerton, WA consumer price index for all urban consumers (CPI-U), *and* rounded down to the nearest thousand dollars, provided the Council makes said adjustments by resolution, and provided, in the absence of an adjustment resolution, the amount stated in this Subsection 2.E.a (or as most recently adjusted by Council resolution shall apply);
 - b. The performance by the Cultural Space Agency shall extend over a period of one year from the date of execution of an agreement therefore; or
 - c. The Cultural Space Agency assumes duties to the City, the County, the State, or the United States;
- F. Any project or activity outside the limits of the City;
- G. Adoption of an annual budget;
- H. Certification of annual reports and statements to be filed with the City Clerk as true and correct in the opinion of the Council and of its members, except as noted;
- I. Proposed amendments to the Charter (amendments to the Charter must be approved by a 2/3 majority of the Council, and with the concurrence of a simple majority of the Constituency); and

- J. Such other transactions, duties, and responsibilities as the Charter shall repose in the Council or require Council participation by resolution.
6. Council Concurrence and Quorum for Specific Circumstances
- A. "Council concurrence," as used in this Article may be obtained at any regular or special Council meeting by an affirmative vote of a simple majority (unless otherwise noted) of the Council members voting on the issue, provided that such majority equals one-third or more of the Council voting membership.
 - B. Any resolution authorizing or approving an action described in SMC 3.110.200 (and also described in Section 5 above) shall require Council concurrence.
 - C. The quorum requirements for amendments to the Charter of the Agency are set forth in Article X below.
 - D. The Rules and Regulations of the Agency may prescribe additional Council quorum restrictions which equal or exceed the quorum restrictions imposed in this section.
7. Officers and Division of Duties
- A. Any officer may be assigned by the Council any additional title that the Council deems appropriate. Any two or more offices may be held by the same person, except the offices of President (also referred to herein and in the SMC and RCW as the "chief executive") and Treasurer (also referred to herein and in the SMC and RCW as the officer responsible for the custody of funds and maintenance of accounts and finances). Neither of the ex officio members of the Board may serve as officers.
 - B. Additional officers may be provided for in the Rules and Regulations of the Agency. The President shall be the agent of the Agency for service of process; the Rules and Regulations may designate additional corporate officials as agents to receive or initiate process. The corporate officers, who shall be selected by the Council from among the membership of the Council, shall, as provided in the Rules and Regulations, direct the daily affairs and operations of the Agency.
 - C. Before any corporate official takes office, the officer shall file a fidelity bond in an amount determined by the Agency if the official is responsible for accounts and finances. The official may only hold office as long as such bond continues in effect. Any such bond shall be organized by the Agency and funded at the Agency's expense.

8. Committees

A. Standing or Temporary Committees

The Council, by resolution adopted by a majority of the Council, may designate and appoint one or more standing or temporary committees, each of which shall consist of one or more Council members and any such non-Council-member community representatives with applicable expertise and who the committee's Council members feel is appropriate.

Members of the Board of Directors of the associated nonprofit (also known as The Cultural Space Agency) are also eligible, and expected, to sit on each of the committees of the public development authority. Each committee must have representation from both the public development authority's Council and the nonprofit corporation's Board.

Such Council committees shall have and exercise the authority of the Council in the management of the corporation, subject to such limitations as may be prescribed by the Council. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Council or any individual Council member of any responsibility imposed upon it, or them, by law.

B. Initial Committees

Council shall have five standing committees from its outset.

The first standing committee is an **Executive Committee**, which shall be made of up the Corporate Officers, and other members of the Council as the President may select, and the *ex officio* seats held by both the organization's executive director and the liaison from the City of Seattle. The Executive Committee shall coordinate the flow of information and oversight through the entire organization. The Executive Committee shall also serve as the **Listening Committee**, which is intended as a feedback mechanism, a system to increase the porousness between organizational leadership and the communities the organization serves.

The second standing committee is the **Finance Committee**, which shall be chaired by the Treasurer of the Council. This committee shall review all financial operations of the Agency and shall lead on the annual development, and ongoing monitoring and updating, of the organizational budget.

The third standing committee is the **Properties, Investments, and Programs Committee**, which shall be chaired by the Vice-President of the Council. The Properties, Investments, and Programs Committee must be comprised of at

least 70% graduates of the Build Art Space Equitably (BASE) program, and is responsible for identifying opportunities and making recommendations on real property investments and other site control arrangements, as well as programming partnerships, to the staff and to the Council. Membership in this committee is guaranteed for graduates of the BASE program; membership for others is subject to the approval of the members who are graduates of the BASE program.

The fourth standing committee will be the **Racial Equity Committee**, which shall be chaired by the Secretary. The Committee will be responsible for monitoring Agency actions and referring matters to the Constituency for review if it finds that actions or policies taken by the Agency would result in widening existing racial disparities or creating new disparities.

The fifth standing committee is a **Joint Board and Council Development Committee**, which shall be co-chaired by the President of the Council and the President of the Board of Directors of the associated nonprofit corporation. This committee, which is responsible for developing nominations for both the Council and the Board of Directors, shall consist of members of the Council, members of the Board of Directors, members of the Constituency, and members of the nonprofit corporation's Membership.

1. The Joint Board and Council Development Committee shall create publicly accessible systems through which nominees for consideration as Council and Board members may be submitted and considered. This shall be the same process for nominees proposed by the Mayor, the City Council, the governing Council, the Board of Directors, and any member of the general public.
2. Potential candidates for the nonprofit's Board of Directors shall be evaluated by the nonprofit's existing Board of Directors and approved through procedures set out in that organization's Bylaws.
3. Potential candidates for the Agency's Council shall be vetted and discussed by the Committee and a slate of candidates shall be decided upon and forwarded to the Constituency for review and approval. A list of Constituency-approved candidates shall then be transmitted to the Mayor, in line with the schedule described in Article VII Section 4 above.
4. The Mayor shall propose these Constituency- and Committee-approved candidates to the City Council for approval, pursuant to SMC 3.110.275.

C. Committee Meetings Subject to Open Public Meetings Act

A committee shall comply with the Open Public Meetings Act for all of its committee meetings if:

- i. The Council, by resolution, designates a committee to act for on behalf of the Council, as described in Rules and Regulations Article III, Section 6; or
- ii. The committee takes public comment or conducts public hearings.

ARTICLE VIII

CONSTITUENCY

1. Composition

- A. The Constituency is designed as an advisory body to the Agency, with several specific responsibilities, described below. It is intended as the body that connects the Agency most directly to the communities it serves; it is intended to represent a community voice, to elevate grass-roots expertise, and to be drawn from the community at large.

The Constituency’s rootedness in the Build Art Space Equitably (BASE) Cohort Certification program is another way for the Agency to remain committed to its values and to the goals of equitable development. The BASE program is centered in BIPOC communities and vulnerable neighborhoods, and seeks to strengthen those communities and neighborhoods.

- B. The Constituency of the Agency shall consist of two classes:

Constituency Class One

Eligibility to the first class of Constituency membership consists of all persons who have successfully completed the Build Art Space Equitably (BASE) certification program. Those who are eligible for membership and may choose to opt in and join the Constituency of this corporation by notifying the Secretary of the Council of their intent to join. This class of Constituency shall have voting rights pertaining to the nominations for members of the Council and other issues enumerated below in Section 2. That voting shall happen at an annual meeting of the Constituency, or at any special meeting called for such a purpose with at least ten (10) days’ notice, and Constituents may participate in person, by proxy, or electronically.

The first class of the Constituency shall develop practices for the identification, vetting, and on-boarding of candidates to the second class

of the Constituency. Those mechanisms may include pairing candidates to the second class with members of the first class, and a packet of written materials describing the functions of the Constituency, and other materials and processes as they shall define.

Constituency Class Two

The second class of members consists of all persons who are not eligible to the first class but may be designated from time to time by a majority vote of the existing Constituency. This class of membership must remain no larger than a 30% minority of the full voting Constituency. This class of Constituents shall also have voting rights pertaining to the nomination of potential members of the Council and other issues enumerated below in Section 2. That voting shall happen at an annual meeting of the Constituency, or at any special meeting called for such a purpose with at least ten (10) days' notice, and Constituents may participate in person, by proxy, or electronically.

C. Proxy votes shall comply with SMC 3.110.340.B.

2. Constituency Concurrence Required

The concurrence of the Constituency shall be required on the following matters:

- A. Proposed amendments to the Charter;
- B. Proposed nominees for Council appointment from the Joint Board and Council Development Committee;
- C. Proposed amendments to the Rules and Regulations of the Agency dealing directly with matters specified in this Section 2 as being within the power and responsibility of the Constituency, or with provisions of the Rules and Regulations governing procedures for meetings of the Constituency;
- D. Approval of the Agency's periodic Strategic Plan;
- E. Decisions related to property investments or programmatic partnerships, when those decisions conflict with the recommendation of the Properties, Investments, and Programs Committee; this concurrence will not be required if the Council's vote was over 66% in favor of the motion. If the Constituency does not concur with the Council's decisions, and the initial Council decision was reached through less than a supermajority, the Constituency's recourse is to refer Council's decisions back for further deliberation;
- F. Council's decisions on matters referred by the Racial Equity Committee; and
- G. Prescribe the oath of office for Council members.

3. Constituency Concurrence and Quorum Defined

- A. "Constituency concurrence," as used in this Article may be obtained at any regular or special Constituency meeting by an affirmative vote of a simple majority (unless otherwise noted) of the Constituency members voting on the issue.
- B. The quorum requirements for amendments to the Charter of the Agency are set forth in Article X below.
- C. The Rules and Regulations of the Agency may prescribe additional Constituency quorum restrictions which equal or exceed the quorum restrictions imposed in this section.

4. Connection to the Council

The Constituency shall identify a liaison or liaisons to the Council. Those liaisons will attend regular meetings of the Council and may from time to time report to the full Council.

ARTICLE IX

RULES AND REGULATIONS

The Council shall adopt Rules and Regulations to provide such rules for governing the Cultural Space Agency and its activities as are not inconsistent with this Charter. The adoption of the Rules and Regulations and any amendments thereto require a two-thirds majority vote of the Council's voting membership. Amendment to Rules and Regulations shall be effective as described in SMC 3.110.220.

The Council may provide in the Rules and Regulations for all matters related to the governance of the Agency, including but not limited to matters referred to elsewhere in the Charter for inclusion therein, and for the following:

- 1. The existence of committees of the Cultural Space Agency and the duties of any such committee;
- 2. Regular and special meetings of the Council and Constituency of the Cultural Space Agency;
- 3. By two-thirds majority, the suspension and removal of Cultural Space Agency officials and conditions which would require such suspension and removal;
- 4. Any matters set forth in SMC 3.110 of the City of Seattle;
- 5. Additional classes of membership.

ARTICLE X

AMENDMENTS TO CHARTER AND RULES AND REGULATIONS

1. Proposals to Amend Charter or Rules and Regulations
 - A. Any Council member may propose an amendment to the Charter at any regular meeting or at any special meeting of which thirty (30) days' advance notice has been given.
 - B. Any Council member may propose an amendment to the Rules and Regulations (which may consist of new Rules and Regulations) at any regular meeting or at any special meeting of which thirty (30) days' notice has been given.
2. Vote Required for Amendments to Charter

Resolutions of the Council approving amendments to the Charter require an affirmative vote representing two-thirds of the Council members voting on the issue and a majority of the Council voting membership for adoption.
3. Vote Required for Amendments to Rules and Regulations

The minimum vote that is required for the amendment, alteration, or repeal of the Rules and Regulations of the Cultural Space Agency shall be an affirmative vote of a majority of the Council's voting membership. Such vote may be taken at any regular or special meeting of the Council.
4. Constituency Concurrence Necessary for Amendments to Charter and Provisions of the Rules and Regulations That Govern Procedures for Meetings of the Constituency.

The minimum requirement for the concurrence of the Constituency to a proposed amendment to the Charter and to provisions of the Rules and Regulations that govern procedures for meetings of the Constituency shall be an affirmative vote representing two-thirds of the Constituents voting on the issue, and at least 50 percent of the Constituency if it comprises less than 100 persons. If the Constituency comprises 100 persons or more, an affirmative vote of at least 30 percent of the Constituency shall be required.
5. Effective Date of Amendments to the Rules and Regulations

Amendments to the Rules and Regulations shall not take effect until ten (10) days after filing of the same with the City Clerk unless such amendment(s) shall have been passed by unanimous vote of the Council and the Constituency (if affected by the amendment) and an earlier effective date is set.
6. Approval by Mayor

After adoption of a proposed amendment to the Charter of the Cultural Space Agency, as set forth herein, by the Council and Constituency, the proposed amendment shall be filed in duplicative with the City Clerk. The Mayor may approve or disapprove the proposed amendment.

7. **Effective Date of Amendments to the Charter**
Amendments to the Charter proposed by the Cultural Space Agency shall take effect and become a part of the Charter upon the filing of the Mayor's approval with the City Clerk.
8. **Mandatory Periodic Review**
The Council shall, at intervals of five (5) years, conduct a comprehensive review of the Charter and the Rules and Regulations governing the Agency, and make recommendations for amendments. This review and recommendation process shall include the Council, the Constituency, and members of Council committees.

ARTICLE XI

MISCELLANEOUS

1. **Geographic limitation**
Cultural Space Agency may conduct activities outside the City of Seattle upon determination by the Council, and the concurrence of the Constituency, that each such activity will further the purpose of the Cultural Space Agency. Prior to the Agency's conduct of any said activities, the outside jurisdiction's governing body shall execute an agreement with the City of Seattle consenting thereto.
2. **Public Records**
The public shall have access to records and information of the Cultural Space Agency to at least the same degree that the public enjoys access to records and information from the City of Seattle. The Cultural Space Agency shall be subject to and comply with the Public Records Act (Chapter 42.56 RCW).
3. **Minutes**
Copies of minutes of all regular or special meetings of the Council shall be available to any person or organization that requests them. The minutes of all Council meetings shall include a record of individual votes on all matters requiring Council concurrence. The minutes shall be compliant with the Open Public Meetings Act.
4. **Public Meetings**
To the extent practicable, meetings of the Cultural Space Agency shall be held in an area with access to both transit service and parking and shall be open to the

public as required under the Open Public Meeting Act, RCW 42.30.010 - 42.30.910. Council meetings of the Council shall be called and held in accordance with said law. At any such meeting, any member of the Constituency, or of the Board of Directors of the associated nonprofit corporation, or any former member of those groups, shall have a reasonable opportunity to address the Council either orally or by written memoranda.

5. Annual Reviews

At least annually, with reasonable notice to the public, a meeting shall be held which shall include a review of all significant decisions and events relating to the programs and activities of the Cultural Space Agency that have occurred since the last annual review and a preview of significant matters that will be under consideration during the following twelve months.

6. Nonexclusive Charter

This Charter is nonexclusive and does not preclude the granting by the City of other charters to establish additional public corporations.

7. Interpretation

To the extent this Charter is silent on a matter or conflicts with State law and the Seattle Municipal Code, the Seattle Municipal Code shall govern.

Rules and Regulations

of

The Cultural Space Agency

a public development authority

ARTICLE I: COUNCIL

Section 1. Term of Office

Council members shall hold office as described in Article VII, Section 2, of the Charter and, subject to the limitations set forth therein, may serve two successive terms. Council members shall accept appointment to the Council by subscribing to an oath of office that the organization's Constituency shall prescribe.

Section 2. Qualifications for Council Membership

In evaluating prospective members, the Constituency will be cognizant of the desirability of achieving a Council whose members reflect diverse social, cultural, ethnic, racial, and economic backgrounds and perspectives.

To ensure balanced responsiveness and competence, all candidates for the Council should meet all of the following criteria and prerequisites:

Candidates must reflect the priorities of, and demonstrate alignment with, the mission, vision, and values of the organization.

Candidates must demonstrate a lived commitment to the cultural life and vitality of the city and demonstrate a depth of relationship to cultural communities.

Candidates must demonstrate a commitment to, and a history of, anti-racist and racial equity work.

Further, all candidates for the Council should meet some of the following criteria and prerequisites:

Have a lived connection to anti-Blackness or to Black, Indigenous, and People of Color (BIPOC) communities that have borne the brunt of other institutional racism, and demonstrate a history of engagement with antiracist work.

Have a lived experience with historically disinvested and marginalized communities, including but absolutely not limited to LGBTQ+ communities, the disabled, the non-neuro-normative, the

formerly incarcerated, those without stable housing, the poor, the elderly, and young people, to name but a few.

Have a significant connection to a neighborhood with high risk of displacement, a neighborhood that has experienced the negative impacts of growth, a neighborhood with low access to opportunity, and those individuals who have experienced unwanted displacement.

Demonstrate a rootedness in intersectional work, recognizing the various intersections of how dominant culture marginalizes those considered to be “others,” and how those intersections drive a deepened disenfranchisement.

Candidates should also have a connection to the operations, programs, and other business of the Agency. Council members are sought who demonstrate:

Experience, knowledge, interest, and / or professional expertise in community organizing.

An active practice as a working artist or culture-maker in any discipline or medium.

Experience, knowledge, interest, and / or professional expertise in commercial real estate.

Experience, knowledge, interest, and / or professional expertise in government relations.

Experience, knowledge, interest, and / or professional expertise in the practice of law.

All candidates will be required to disclose any information concerning actions or activities of the candidate or his/her immediate family that present a potential Conflict of Interest as a Council member. Candidates whose employment, financial interests, and/or other transactions are determined by the Council to be in conflict with the interests of the Agency will be ineligible for Council membership.

Section 3. Vacancies

The Council shall, by resolution or by amendment to these Rules and Regulations, determine the manner of filling vacancies other than those caused by the normal expiration of a regular term under Article VII,

Section 4, of the Charter. A vacancy or vacancies on the Council shall be deemed to exist in the case of the death, disability, resignation, or removal from office of any Council member as provided herein. The manner of filling said vacancies shall comply with Seattle Municipal Code (SMC) 3.110.275.C.

Upon such an occurrence, the Council shall request that the Constituency nominate to the Mayor a candidate who shall serve the balance of the vacant term.

The names of all such appointees shall be submitted by the Mayor to the City Council for confirmation.

Section 4. Removal from Office

Any Council member who does not fulfill the commitments noted in Section 2 may, by resolution duly adopted by a two-thirds vote of the whole Council, and the concurrence of the Constituency, be deemed to have forfeited their position as Council member.

Removal from Office may also be recommended for a Council member who is absent for three (3) consecutive regular meetings.

Removal may also occur pursuant to SMC 3.110.580.K.

Section 5. Non-Voting Members

The executive director of the Agency (or otherwise titled lead staff member) will be a non-voting member of the Council, serving *ex officio*. The Mayor shall appoint a liaison to the City of Seattle as a non-voting member of the Council, serving *ex officio*.

Section 6. Process for Resignation

Members may resign by sending a letter or e-mail to the President of the Council.

ARTICLE II: MEETINGS OF COUNCIL

Section 1. Regular Meetings

Regular meetings of the Council shall be held once a month at such a regular time and place as the Council shall decide by resolution. The agenda shall be posted as required by the Open Public Meetings Act.

Section 2. Special Meetings

Special meetings of the Council may be held at any place at any time whenever called by the Chairperson or by a majority of Council members. In addition, special meetings may be called pursuant to SMC 3.110.300.B,

which provides that any member of the Council upon five (5) days' notice may call a special meeting of the Council to consider matters appropriate to a regular meeting if twenty-five (25) days have elapsed since the previous Council meeting and no future Council meeting has been scheduled.

Section 3. Notice of Meetings

No notice of regular meetings shall be required, except for the first regular meeting after any change in the time or place of such meeting adopted by resolution of the Council as provided above. Agendas shall be posted on the Agency's website at least 24 hours in advance of the meeting.

Notice of such changed regular meeting, and notice of all special meetings, shall be given by the Secretary or by the person or persons calling the meeting by personally delivering or by emailing written notice to each member of the Council at least three (3) days prior to such meeting. Notice of special meetings shall be published and posted as required by RCW 42.30.080.

The call and notice of all special meetings shall specify the time and place of all special meetings and the business to be transacted. Final disposition shall not be taken by the Council on any other matters at such special meetings. At any regular meeting of the Council, any business may be transacted and the Council may exercise all of its powers.

Section 4. Quorum.

At least five (5) voting members of the Council or a simple majority of the Council's voting members, whichever is greater, must be present at any regular or special meeting to constitute a quorum. Members participating by telephone or other live conferencing technology shall count toward the quorum. No business may be transacted without a quorum, provided, however, that a lesser number in attendance at such a meeting may adjourn any meeting. Whenever any meeting is adjourned to a time prior to the next regular meeting, a copy of the order of adjournment shall be posted conspicuously immediately after the time of adjournment on or near the door of the place where the adjourned meeting was held. When an order of adjournment fails to specify the time and place at which the adjourned meeting is to be held, it shall be held at the time and place specified for regular meetings herein.

Subject to the provisions of Article VII of the Charter that relate to actions requiring Council concurrence, the act of a majority of the members present at any meeting of the Council at which a quorum is present shall

be the act of the Council.

Section 5. Open Meetings

All meetings of the Council shall be held and conducted in accordance with the Open Public Meetings Act, RCW 42.30.010—42.30.910, and special meetings must be called as provided therein. The Council may hold executive sessions to consider matters enumerated in RCW 42.30.110 or other sensitive or privileged matters recognized by law, and shall enter the cause therefor in its minutes.

Section 6. Waiver of Notice

Notice as provided in Section 3 hereof may be dispensed with (i) as to any member of the Council who at or prior to the time the meeting convenes files with the Council a written waiver of notice or who is actually present at the meeting at the time it convenes and (ii) as to meetings called to deal with an emergency involving injury or damage to persons or property or the likelihood of such injury or damage, where time requirements of such notice would make notice impractical and increase the likelihood of such injury or damage.

Section 7. Proxies Prohibited

No Council member may vote on any Council business by proxy or by mail.

ARTICLE III: OFFICERS AND COMMITTEES

Section 1. Officers Designated

The officers of the Agency shall be a President, Vice President, Treasurer, and Secretary, each of whom shall be elected by the Council. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Council. No person may simultaneously hold the offices of President and Treasurer. In addition to the powers and duties specified below, the officers shall have such powers and perform such duties as the Council may prescribe.

Section 2. Election, Qualifications, and Terms of Office

Each of the officers shall be elected by the Council from among its members. In general, the officers shall be elected by the Council for a two-year term, and each officer shall hold office during said two-year term and until his or her successor is elected. The Council may elect an officer to a one-year term; provided that, such limitation must be specified in the resolution that the Council passes to elect the officer.

Section 3. Powers and Duties

a. **President.** The President shall exercise the usual executive powers

pertaining to the office of President. They shall preside at all meetings of the Council. They shall be the designated agent of the Agency to receive service of process. When authorized by the Council, they shall have the power to sign and execute all deeds, bonds, contracts, and other obligations or instruments in the name of the Agency. All such instruments shall be effective, valid, and binding upon their signature alone without the necessity of adding thereto the signature of any other officer or officers of the Agency unless SMC 3.110 requires otherwise or unless otherwise required by the Charter. Such authority shall include the right to endorse for transfer in blank, or otherwise, any stocks, bonds, securities, or evidences of indebtedness owned or standing in the name of the Agency. They shall lead a review at least annually of the performance of the executive director (or otherwise titled lead staff member) and report on this review to the Council in executive session.

b. Vice-President. The Vice-President shall act in the place of the President in the absence of the President or upon the disability or refusal of the President to act. The Vice-President shall have such other duties as the President and Council shall designate.

c. Secretary. The Secretary shall be responsible for seeing that notices are given of all meetings of the Council, that minutes are taken of all meetings of the Council, for proper custody of the Agency's seal and records, for affixing the corporate seal and signing with the Chairperson of the Council such instruments as require the seal or the Secretary's signature, and for such other duties as are incident to their office or are properly required of them by the Council.

d. Treasurer. The Treasurer shall have the care and custody of and be responsible for all funds and investments of the Agency, and shall cause regular books of account to be kept. They shall cause all funds and other valuable effects to be deposited in the name of the Agency in such depositories as may be required by law, or, if not required, as designated by the Council. In general, they shall perform all of the duties incident to the office of Treasurer.

e. Fidelity Bond. Pursuant to SMC 3.110.240, any official responsible for accounts and finances shall file a fidelity bond in an amount determined by the Agency prior to that official taking office. The official may hold corporate office only as long as such a bond continues in effect. This bond is to be organized and funded by the Agency.

Section 4. Removal

Provided that reasonable prior notice of the alleged reasons for dismissal

is given to all Council members, a majority of the Council's voting membership shall have the right to remove any officer from his or her office, but not, under this Section, from his or her position on the Council, whenever in its judgment the best interests of the Agency will be served thereby.

Section 5. Vacancies

The Council shall fill any office that becomes vacant with a successor who shall hold office for the unexpired term and until his or her successor shall have been duly elected and qualified.

Section 6. Establishment of Committees

The Council may, by resolution, designate one or more committees, each consisting of one or more members, to advise the Council or, on matters other than those described in Seattle Municipal Code 3.110.200, to act for and on behalf of the Council. The designation of any such committee and the delegation thereto of authority shall not operate to relieve any member of the Council of any responsibility imposed by law. Committee members may include non-voting members as well as members who need not be Council members.

Section 7. Executive Committee

The Executive Committee shall be made up of the Corporate Officers, and other members of the Council as the President may select, and the *ex officio* seats held by both the organization's executive director and the liaison from the City of Seattle.

Except as provided in those provisions of Article VII of the Charter that relate to "Council concurrence," the Executive Committee shall have and exercise such powers of the Council as the Council shall from time to time provide by resolution.

ARTICLE IV: ADMINISTRATIVE PROVISIONS

Section 1. Books and Records

The Agency shall keep current and complete books and records of account and shall keep minutes of the proceedings of its Council and of any committees exercising the Council's authority. The minutes of all regular and special meetings, except executive sessions, shall be promptly recorded, and such records shall be open to public inspection pursuant to RCW 42.32.030.

In addition, the Agency shall establish and maintain an office and Agency records in a manner compliant with SMC 3.110.390.

Section 2. Corporate Seal

The following is an impression of the Agency's corporate seal.



Section 3. Fiscal Year

The Agency's fiscal year shall begin on January 1 and end on December 31.

Section 4. Rules of Procedure

The rules of procedure at meetings of the Council shall be the rules contained in Robert's Rules of Order (newly revised), so far as is applicable, and when they are not inconsistent with these Rules and Regulations, the Charter, or with any resolution of the Council.

Section 5. Amendment of Rules and Regulations

Subject to the provisions of Article X of the Charter, these Rules and Regulations may be amended, altered, or repealed by the affirmative vote of a majority of the whole Council at any regular meeting or special meeting convened for the purpose of addressing Rules and Regulations of the Council.

Section 6. Indemnification

The Agency elects to defend and indemnify its present and former officials (including Council members, Committee members and employees) and their successors, spouses, and marital communities to the full extent authorized by law and the Charter. This right of indemnification shall inure in perpetuity to each Agency official, and their spouse and marital community, commencing as soon as they have the full powers and responsibilities of their office, and in the event of their death shall extend to their heirs, legal representatives, and estate. Each person who shall act as an official of the Agency shall be deemed to do so in reliance upon such indemnification, and such rights shall not be exclusive of any other right that they may have.

The Agency shall maintain in full force and effect public liability insurance in an amount sufficient to cover potential claims for bodily injury, death

or disability and for property damage, which may arise from or be related to projects and activities of the Agency, its Council, corporate officers, and employees. The Agency shall also remain adequately protected either by fidelity insurance, bonding, Director's and Officer's insurance, or any combination thereof.

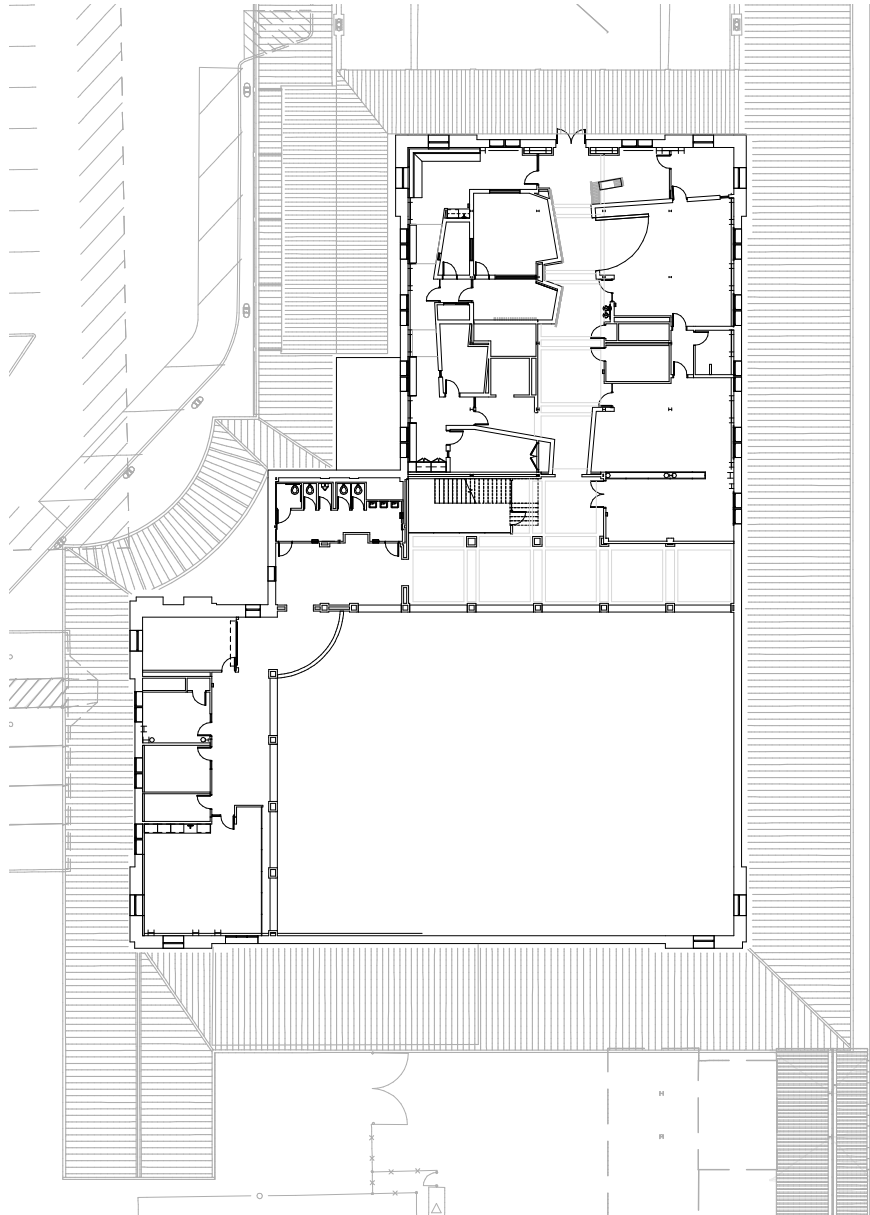
**EXHIBIT B-1
LEGAL DESCRIPTION**

A tract of land in the City of Seattle, County of King, state of Washington, lying in the SW 1/4 of the NW 1/4 Section 5, Township 24 North, Range 4 east, W.M., described as follows:

Beginning at the intersection of the Easterly prolongation of the North line of Block 13, D. S. Maynard's plat, City of Seattle, according to the plat thereof recorded in Volume 1 of plats, page 23, in King County, Washington, with the centerline of vacated 3rd Avenue South; thence South 8845'17" East, 5.00 feet; thence South 0119'00" West, 10.00 feet; thence South 8846'43" East, 151.09 feet; thence South 214'23" West, 27.0 feet to the Northeast corner of the King Street Station Building, at ground level, thence South 211'41" West, along the East line of said Station Building, at ground level, and its Southerly prolongation, 332 feet; thence North 8748'19" West, 181.74 feet; thence North 112'28" East, 26.15 feet; thence North 8841'00" West, 1.8 feet; thence North 119'00" East, 100.0 feet; thence South 8841'00" East, 33.0 feet; thence North 0119'00" East, 239.77 feet to the point of beginning.

39.

**EXHIBIT B-2
FLOOR PLAN OF PREMISES**



The Cultural Space Agency
a mission-driven and values-based cultural real estate development company
culturalspace.agency

EXHIBIT C DEPICTION OF COMMON AREAS

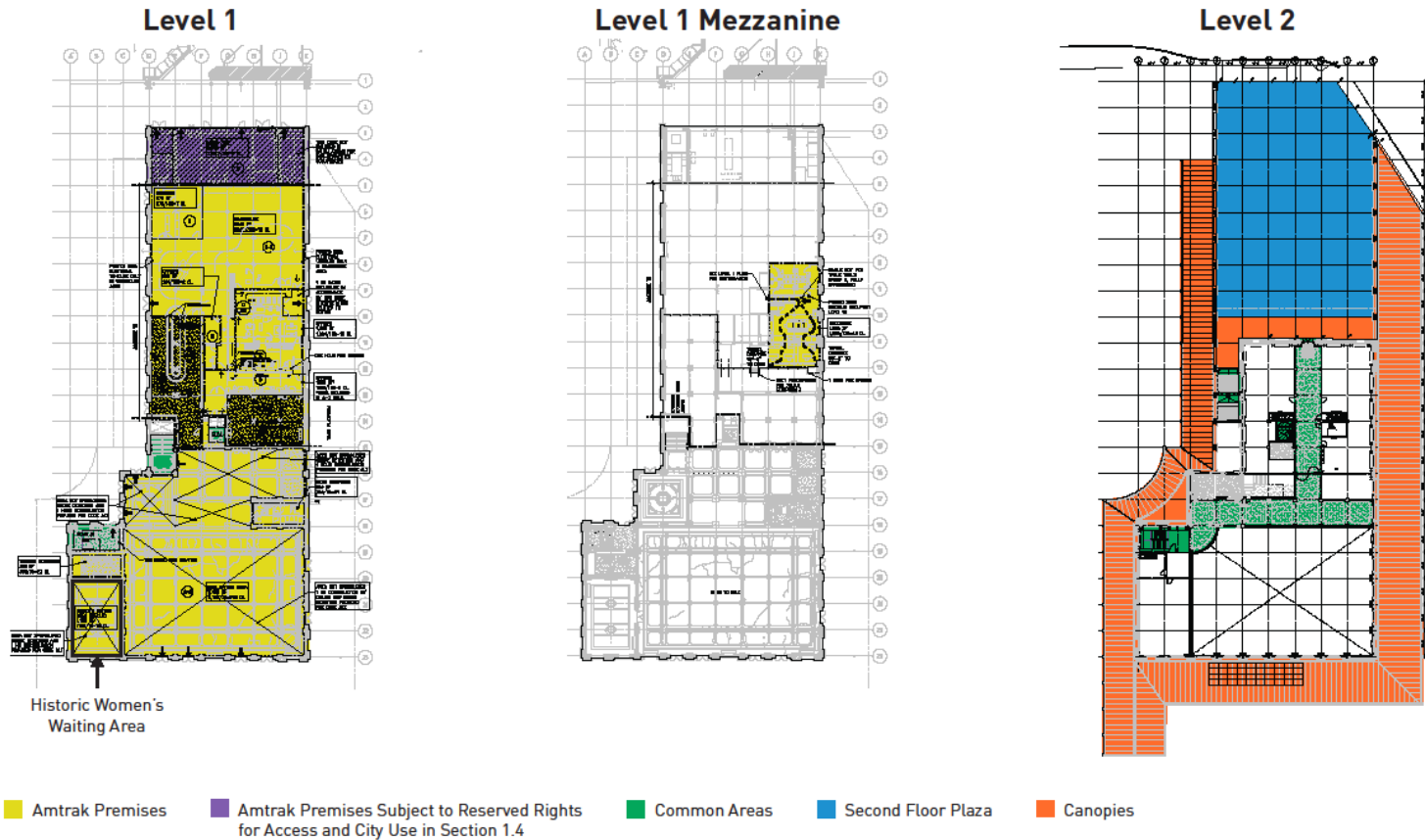


EXHIBIT D RENEWAL OPTIONS

Tenant shall have three (3) successive options to extend the Term of this Lease for ten (10) years each (each, an "Extension Term"), subject to and in accordance with this Exhibit D. To exercise each such option, Tenant must give written notice to Landlord no earlier than three hundred sixty-five (365) days before and no later than two hundred seventy (270) days before the last day of the then Term. If Tenant does not timely give the notice, its rights under this Exhibit D will terminate and the Term will expire without extension.

All of the provisions of this Lease will continue to apply as applicable during the Extension Term(s), except the Annual Rent payable by Tenant during each Extension Term shall equal Fair Market Rent (defined below) less the Public Benefit Offset for the Premises as of the commencement date of the applicable Extension Term. The "Fair Market Rent" shall be equal to the annual rent, including all annual escalations, at which tenants, as of the commencement of applicable Extension Term are leasing non-sublease, non-renewal, non-expansion space comparable in size, location and quality to the Premises, for a term approximately as long as the Extension Term, in an arms' length transaction, in transactions entered into within the six (6) month period immediately preceding the commencement of the applicable Extension Term, which comparable space is located in the Building or in Comparable Buildings (defined below) (collectively, the "Comparable Transactions"). The term "Comparable Buildings" shall mean other office buildings located in the Pioneer Square/International District areas of Seattle, with a similar quality of construction, and which are of similar size, and offer similar services and amenities, as the Building. Annual Rent, as determined in accordance with the foregoing, shall be referred to herein as "Extension Annual Rent".

Within thirty (30) days of receiving Tenant's exercise notice, Landlord shall give Tenant notice of Landlord's determination of the Extension Annual Rent for the applicable Extension Term ("Landlord's Determination Notice"). If Tenant disagrees with Landlord's determination of the Extension Annual Rent, Landlord and Tenant shall attempt to agree on the Extension Annual Rent for the applicable Extension Term. If the parties do not agree on the Extension Annual Rent within thirty (30) days of the Landlord's Determination Notice, Tenant's right to extend the Term as provided shall terminate and the Lease shall terminate on the last day of the then applicable Term. If Tenant validly exercises an extension option in accordance with this Exhibit D, Landlord shall prepare an amendment to reflect changes in the Annual Rent, Term and other appropriate terms. Such amendment shall be sent to Tenant within a reasonable time after determination of Extension Annual Rent for the applicable Extension Term.

EXHIBIT E DESCRIPTION OF INITIAL IMPROVEMENTS



Station Space

Tenant Improvement Project at King Street Station

The Cultural Space Agency (the “Agency”) is leading a project to convert the second floor of King Street Station into a “Youth Empowerment Lab” in partnership with a series of nonprofit youth arts organizations. The Agency will lease the full space from the City of Seattle (through the Seattle Department of Transportation) and sublease various spaces within the Station to the various nonprofit organizations.

Station Space is conceived as a way to bring creative vibrancy to a prominent civic space. It’s designed as a way of modeling a pathway for artists and cultural creatives from elementary school through to a gig-based arts and creative economy.

The project will create shared public cultural space at King Street Station, as well as more private space for recording studios, rehearsal rooms, classrooms, a live theater, and arts administration space. The Agency will not have a full-time presence in the space; it will administer the use of the spaces and will coordinate the needs of the project with all partners, the City of Seattle included.

In addition to two office tenants (currently, the Wh!psmart project and the Jackson Street Music Program), there are three “anchor” youth arts tenants, whose spaces have been custom-designed and built for their programming. These anchor tenants are:

Totem Star: When Totem Star first opened for business in 2010 it was a completely mobile operation, packing a recording studio into a single suitcase and transporting it across the city to partner sites. In 2013 the organization moved into the 225 square-foot recording studio at Youngstown Cultural Arts Center. Despite the space constraints it has served nearly 3,000 young recording artists in ten years.

Red Eagle Soaring: In Seattle since 1991, Red Eagle Soaring exists to empower American Indian and Alaska Native youth to express themselves with confidence and clarity through traditional and contemporary performing arts. RES intends to utilize the Station Space for conferences, for performances, and as generative creative space for performance-based art-making: plays, shows, and film projects.

The Rhapsody Project: The Rhapsody Project delivers homemade and community music-making to spark curiosity about our cultures and our history. They provide concerts, classes and workshops for students of all ages. At Station Space Rhapsody will celebrate the heritage of Seattle’s communities through workshops, jam sessions, and youth-led discussions.

At Station Space, series of cultural spaces are being developed to support the programming and operations of these vital partners. Those spaces include:

- **Reception and administration space.** At the entry to the project there is a welcoming desk and support space for a host to greet and aim patrons at the various programmatic spaces within the project.
- **Resource center for artists.** There is a small resource library to support the exploration of music, playwriting, performance videos, and opportunities for artists.
- **Three fully sound-isolated recording studios.** These spaces are fully integrated recording studios, sound-isolated from the areas to which they're adjacent, ready to support recording artists at a professional level
- **Recording control booth.** This booth connects to all three recording studios (as well as to the theater across the hall!) to support the recording of multiple combinations of live performance.
- **Classroom and performance space.** This classroom space connects to the main hall with a 14-foot-wide pivoting divider, so that the classroom can have complete privacy, or can alternatively be a part of the flow of the entire space, creating a performance space connected to the public areas.
- **Luthier shop.** A small stringed instrument repair and storage space is being built to support a luthier (stringed instrument builder) and the students connected to the project.
- **Black box theater.** A small (29-seat) black box-style performance space ("black box" meaning infinitely reconfigurable).
- **Versatile classroom and community room.** A second classroom, to be programmed both in support of the above organizations' operations, and in support of outside community organizations' needs for temporary space.
- **Offices.** There are two private offices for arts organizations.
- **Storage.** A significant amount of space has been dedicated to the storage of programming equipment such as lighting, sound equipment, and a portable stage for presentations on the King Street Plaza.

The Agency has worked with the design principals at Sundberg Kennedy Ly-Au Young Architects to design the improvements that will transform this space from the raw shell we found, into the inviting youth arts space we have envisioned. Sellen Construction has been selected to lead the build-out of these spaces on behalf of the Agency and the anchor programming partners.

These improvements include the basics of creating a "warm shell," including such underlying components as electrical service, heating and air handling, walls, insulation, and accessible bathrooms. The budget to improve this empty cold shell into Seattle's premiere shared youth arts empowerment space is estimated at \$4,200,000.

To date, supporters include the Historic South Downtown Foundation, the Satterberg Foundation, Alison and Glen Milliman, 4Culture, the City of Seattle, the State of Washington, and a growing list of family and small foundation support.