



# SEATTLE CITY COUNCIL

## Legislative Summary

CB 118434

Record No.: CB 118434

Type: Ordinance (Ord)

Status: Passed

Version: 2

124821

In Control: City Clerk

File Created: 06/03/2015

Final Action: 07/29/2015

**Title:** AN ORDINANCE relating to the Department of Parks and Recreation; authorizing the Superintendent of Parks and Recreation to sign a lease with Sprint Communications Company L.P. for continuing use of subsurface fiber-optic cable installed in the Burke-Gilman Trail.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Godden

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: susan.golub@seattle.gov

Filing Requirements/Dept Action:

### History of Legislative File

Legal Notice Published:

Yes

No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	06/23/2015	Mayor's leg transmitted to Council	City Clerk			
	<b>Action Text:</b>		The Council Bill (CB) was Mayor's leg transmitted to Council. to the City Clerk				
	<b>Notes:</b>						
1	City Clerk	06/23/2015	sent for review	Council President's Office			
	<b>Action Text:</b>		The Council Bill (CB) was sent for review. to the Council President's Office				
	<b>Notes:</b>						
1	Council President's Office	06/25/2015	sent for review	Parks, Seattle Center, Libraries, and Gender Pay Equity Committee			
	<b>Action Text:</b>		The Council Bill (CB) was sent for review. to the Parks, Seattle Center, Libraries, and Gender Pay Equity Committee				
	<b>Notes:</b>						

- 2 Full Council 07/13/2015 referred Parks, Seattle Center, Libraries, and Gender Pay Equity Committee  
Action Text: The Council Bill (CB) was referred. to the Parks, Seattle Center, Libraries, and Gender Pay Equity Committee  
Notes:
- 2 Parks, Seattle Center, Libraries, and Gender Pay Equity Committee 07/21/2015 pass Pass  
Action Text: The Committee recommends that Full Council pass the Council Bill (CB).  
Notes:  
In Favor: 3 Chair Godden, Vice Chair Harrell, Member Rasmussen  
Opposed: 0
- 2 Full Council 07/27/2015 passed Pass  
Action Text: The Council Bill (CB) was passed by the following vote and the President signed the Bill:  
Notes:  
In Favor: 9 Councilmember Bagshaw, Council President Burgess, Councilmember Godden, Councilmember Harrell, Councilmember Licata, Councilmember O'Brien, Councilmember Okamoto, Councilmember Rasmussen, Councilmember Sawant  
Opposed: 0
- 2 City Clerk 07/28/2015 submitted for Mayor's signature Mayor  
Action Text: The Council Bill (CB) was submitted for Mayor's signature. to the Mayor  
Notes:
- 2 Mayor 07/29/2015 Signed  
Action Text: The Council Bill (CB) was Signed.  
Notes:
- 2 Mayor 07/29/2015 returned City Clerk  
Action Text: The Council Bill (CB) was returned. to the City Clerk  
Notes:
- 2 City Clerk 07/29/2015 attested by City Clerk  
Action Text: The Ordinance (Ord) was attested by City Clerk.  
Notes:
-

**CITY OF SEATTLE**  
**ORDINANCE** 124821  
**COUNCIL BILL** 118434

AN ORDINANCE relating to the Department of Parks and Recreation; authorizing the Superintendent of Parks and Recreation to sign a lease with Sprint Communications Company L.P. for continuing use of subsurface fiber-optic cable installed in the Burke-Gilman Trail.

WHEREAS, Ordinance 114004 adopted in June 1988 authorized an Agreement with Sprint Communications Company (Sprint) for a non-exclusive permit to construct underground conduits and install fiber-optic cables in portions of the Burke-Gilman Trail; and

WHEREAS, Sprint has occupied the Burke-Gilman Trail pursuant to that 1988 agreement which expired in July 2013; and

WHEREAS, the terms of that agreement included cash payments and construction of extensive improvements to the Burke-Gilman Trail which now exist and are being enjoyed by the public; and

WHEREAS, Sprint desires to continue its subsurface use of Burke-Gilman Trail property to provide data and voice transmission services to its customers; and

WHEREAS, Sprint's continued use of the Burke-Gilman Trail will not affect its recreational use by the public and will provide a long term source of revenue to the City; NOW,

THEREFORE,

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

Section 1. The Superintendent of Parks and Recreation or the Superintendent's designee is hereby authorized, on behalf of The City of Seattle, to execute a Lease agreement, Attachment

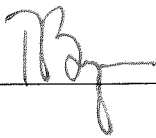
Donald Harris  
DPR Burke-Gilman Trail Sprint Lease ORD  
June 8, 2015; corrected July 6, 2015  
#D7

1 A hereto, with Sprint Communications Company L.P., a limited partnership organized under the  
2 laws of the State of Delaware.


3

1 Section 2. 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.

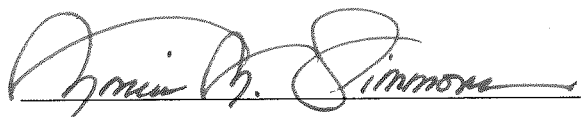
4 Passed by the City Council the 27<sup>th</sup> day of JULY, 2015, and  
5 signed by me in open session in authentication of its passage this  
6 27<sup>th</sup> day of JULY, 2015.

7  
8   
9 President \_\_\_\_\_ of the City Council

10  
11 Approved by me this 28<sup>th</sup> day of JULY, 2015.

12  
13   
14 Edward B. Murray, Mayor

15  
16 Filed by me this 29<sup>th</sup> day of JULY, 2015.

17  
18   
19 Monica Martinez Simmons, City Clerk

20  
21 (Seal)

22 Attachment A: Lease Agreement between the City of Seattle and Sprint Communications  
23 Company L.P.

## LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") by and between **THE CITY OF SEATTLE**, a Washington municipal corporation, acting by and through its Department of Parks and Recreation (the "CITY" or "PARKS"), and **SPRINT COMMUNICATIONS COMPANY L.P.**, a limited partnership organized under the laws of the State of Delaware ("Sprint" or "Lessee"), ( and collectively, the "Parties"), is entered into for the purpose of renewing and extending an arrangement whereby Sprint is allowed to continue its operation of a fiber optic telecommunications system installed subsurface beneath the Burke-Gilman Trail, a CITY-owned bicycle and pedestrian recreation path held under the jurisdiction of PARKS.

This LEASE AGREEMENT is subject to the approval of the City Council of the City of Seattle and shall be effective after signature by the parties and after enactment of an ordinance authorizing it. It modifies the terms and conditions of a 1988 Agreement, authorized by Ordinance 114004, granting permission *"to construct, maintain and operate conduit and fiber optic cable under, across and within the Burke-Gilman Trail and related street rights of way,"* and that also provided for issuance of PARKS Revocable Use Permit No. 17-88. By this Lease Agreement, Sprint is granted continuing non-exclusive use and occupancy of a portion of the Burke-Gilman Trail necessary for the continued operation and maintenance of Sprint's existing subsurface improvements contained in four (4) underground conduits for fiber optic cable.

The term of this LEASE AGREEMENT shall be for ten (10) years, from the date of the expiration of the previous agreement (July 13, 2013) and ending July 13, 2023, with a provision to extend the term of this Lease for an additional ten-year period.

All other terms and conditions of this LEASE AGREEMENT shall be effective upon the effective date of the ordinance authorizing the Lease, EXCEPT that the requirements for annual payments for the Lease and a schedule for increases therefor, shall be retroactive to the date of the previous agreement's expiration, July 13, 2013.

IN CONSIDERATION of the mutual covenants contained herein, City and Lessee covenant and agree as follows:

### 1. **Lease Definitions; Notices**

The following terms shall have the following meanings, except as otherwise specifically modified in this Lease:

1.1 Premises. The "Premises" are limited to a subsurface, cylindrical corridor portion of the former railroad right-of-way, now known as the Burke-Gilman Trail, lying within the City limits of the City of Seattle, as deeded to the City of Seattle by Burlington Northern under King County recording number 7404190298 and by the State of Washington Department of Natural Resources under King County recording number 9701130725, and the intervening street rights-of-way, from NE 145<sup>th</sup> Street southerly to NE 45<sup>th</sup>

Street and from Pasadena Place NE westerly to approximately Latona Avenue NE, crossing portions of Sections 22, 27, 34, and 35, Township 26 North, Range 4 East, Willamette Meridian, and Sections 2, 11, 10, 9, and 17, Township 25 North, Range 4 East, Willamette Meridian, as necessary to contain Sprint's existing four (4) underground conduits for fiber optic cable. Lessee's use and occupancy of the Premises under this Lease is limited to the Permitted Use, as defined at Subsection 2.3.

1.2 Commencement Date. July 14, 2013.

1.3 Expiration Date. July 13, 2023; unless the Term of this Lease is extended pursuant to Section 3.

1.4 Rent and Additional Charges.

1.4.1 Rent: \$400,000.00 annually, subject to periodic increases as described in Section 4.

1.4.2 Additional Charges: Whether or not so designated, all other sums due from Lessee under this Lease shall constitute Additional Charges, payable when specified in this Lease.

1.5 Notice Addresses.

To City:

Seattle Department of Parks and Recreation  
Attention: Manager, Property and Acquisition Services  
800 Maynard Avenue South  
Seattle, WA 98134

To Lessee:

Sprint Communications Company L.P.  
Attn: Manager, Real Estate  
KSOPHT0101-Z2040  
6391 Sprint Parkway  
Overland Park, KS 66251-Z2040

With a mandatory copy to:

Sprint Communications Company L.P.  
Attn: Real Estate Attorney  
KSOPHT0101-Z2020  
6391 Sprint Parkway  
Overland Park, KS 66251-Z2020

For Invoicing:

Sprint Communications Company L.P.

Attn: Lease Administration  
KSOPHT0101-Z2000  
6391 Sprint Parkway  
Overland Park, KS 66251-Z2020

**2. Premises**

2.1 Grant. City hereby leases to Lessee and Lessee hereby leases from City the Premises as defined in Section 1. Lessee's use and occupancy of the Premises under this Lease is limited to the Permitted Use, as defined at Section 2.3.

2.2 Condition. City leases the Premises and Lessee accepts the Premises in an "AS IS" "WHERE IS" condition.

2.3 Permitted Use. Lessee's "Permitted Use" of the Premises shall be limited to the continued operation and maintenance of its existing four (4) underground conduits which contain fiber optic cable (collectively, the "Facilities"). Lessee shall hold title to the Facilities and all of the Facilities shall remain Lessee's personal property and are not fixtures. Lessee shall not use or occupy the Premises for any purpose whatsoever other than the Permitted Use and Lessee understands and acknowledges that Lessee's Permitted Use of the Premises contains no exclusive above or below ground use rights of the Burke-Gilman Trail. Lessee shall be allowed limited, temporary use and occupancy of the Premises for necessary maintenance, repairs, or inspections of Lessee's Facilities, as provided for at Sections 9 and 33 of this Lease. The City retains the right to permit other compatible, existing and new, above and below ground uses of the Premises that do not conflict with or compete with Lessee's use.

**3. Lease Term**

3.1 Term. This Lease shall be for a ten-year term ("Lease Term" or "Term") beginning on July 14, 2013, and ending on July 13, 2023, unless the Lease Term is terminated earlier in accordance with the provisions of this Lease or extended as provided in Subsection 3.2 below.

3.2 Extended Term. Lessee shall have the option to extend this Lease for one additional ten (10) year period (the "Extended Term") on the same terms and conditions set forth herein. Lessee may extend the Lease Term to include the Extended Term by giving City written notice of its intention to do by no later than July 13, 2022. As used in this Lease, the "Lease Term" means the original term commencing on July 14, 2013, and ending on the July 13, 2023, and also applies to the Extended Term, if such right is properly exercised by Lessee hereunder.



#### 4. Rent and Adjustments to Rent

4.1 Rent. Commencing on the date this Lease is effective, as provided for in authorizing legislation, Lessee shall pay to the City, without notice or demand, in lawful money of the United States (a) the annual amount of Rent specified in Subsection 1.4, and subsequently, within ten (10) days after July 14<sup>th</sup>, each year thereafter within the Lease Term; and (b) Additional Charges as and when specified elsewhere in this Lease, but if not specified, then within ten (10) days after written demand. Notwithstanding the foregoing, the annual rent due for the years beginning July 14, 2013, and July 14, 2014, will be due within thirty (30) days of the full execution of this Lease.

4.2 Adjustments to Rent. Adjustment to the annual rental charge will be made at three-year intervals from the Commencement Date, beginning on July 14, 2016, and every three years thereafter, being July 14, 2019, and July 14, 2022, until the expiration or termination of this Lease (each, a "Rent Adjustment Date"), and continuing thereafter at the same intervals, if this Lease shall be extended, as provided for in Subsection 3.2. Rent shall be adjusted upward only to reflect increases in the total non-compounded percentage change in the Consumer Price Index for All Urban Consumers (All Items) in the Seattle-Tacoma-Bremerton region (1982-84 = 100) ("CPI"), published by the Bureau of Labor Statistics, United States Department of Labor, between the first year and last year being adjusted. The City shall calculate the new rent amount within four (4) months of the Rent Adjustment Date and notify Lessee in writing at least two (2) months prior to each Rent Adjustment Date of the new monthly rent amount that will be due starting on such Rent Adjustment Date.

By way of example only, if the CPI on the commencement date of this Lease is 100 and the CPI most recently issued prior to the first Rent Adjustment Date is 110 and the annual Rent due under this Lease is \$400,000, then the total CPI adjustment would be 10% and annual Rent under this Lease would increase to \$440,000 effective as of the Rent Adjustment Date.

In no event shall the annual rent, as adjusted for any period, be less than rent payable during the immediately preceding period. In the event the CPI is discontinued, the parties shall agree upon another similar index to be used to calculate the contemplated adjustment and, in the event of an inability to agree, the parties shall request the American Arbitration Association or its successor to appoint a qualified arbitrator to establish an appropriate adjustment standard to measure inflation.

#### 5. Late Charge; Interest

If Lessee fails to pay the City any sum when due, such amount shall bear interest at the rate of 12% per annum or the highest rate allowed by law, whichever is lower, from the date due until the date paid.

## 6. Lessee's Operations

6.1 Use of Premises. Lessee shall use the Premises only for the Permitted Use. As City's willingness to enter into this Lease with Lessee was predicated, in part, on the nature of Lessee's business use of the Premises, and the fact that such use by the Lessee is not incompatible with public recreational use of the Burke-Gilman Trail, Lessee shall not use or permit the use of the Premises for any other business or purpose or under any other name without PARKS' prior written consent. Lessee shall promptly comply, at its sole cost and expense, with such reasonable rules and regulations relating to the use of the Premises as City, from time to time, may promulgate. Any newly promulgated rules and regulations shall be promptly provided to Lessee in writing. Lessee may make a written request for a waiver of the application of such rules and regulations upon Lessee, but only in the event and to the extent such new rules materially interfere with Lessee's Permitted Use. Lessee shall make such request within thirty (30) days of the receipt of the City's notice. In the event of any conflict between the rules and regulations promulgated by City and the terms of this Lease, the terms of this Lease shall prevail. Lessee shall permit no objectionable odors to be emitted from the Premises and shall neither commit waste nor permit any waste to be committed on the Premises or anywhere on the Burke-Gilman Trail. Lessee shall not create or contribute to the creation of a nuisance on the Premises or anywhere on the Burke-Gilman Trail.

### 6.2 Compliance with Laws; Nondiscrimination.

6.2.1 General Obligation. Lessee shall not use or permit the Premises or any part thereof to be used for any purpose in violation of any municipal, county, state or federal law, ordinance or regulation, or for any purpose offensive to the standards of the community of which the Premises is a part. Lessee shall promptly comply, at its sole cost and expense, with all laws, ordinances and regulations now in force or hereafter adopted relating to or affecting the Lessee's use or occupancy of the Premises or its operation or maintenance of its Facilities thereon.

6.2.2 Nondiscrimination. Without limiting the generality of Subsection 6.2, Lessee agrees to and 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, as they may be amended from time to time, and rules, regulations, orders and directives of the associated administrative agencies and their officers.

6.3 Liens and Encumbrances. Lessee shall keep the Premises free and clear of, and shall indemnify, defend and hold City harmless from any and all liens and encumbrances arising or growing out of any act or omission, or breach of this Lease or its use, improvement or occupancy of the Premises by Lessee or any of its principals, officers,

employees or agents. If any lien is so filed against the Premises, Lessee shall either cause the same to be fully discharged and released of record within ten (10) days after City's written demand therefor or, within such period, Lessee shall provide City with cash or other security acceptable to City in an amount equal to one and one-half (1½) times the amount of the claimed lien as security for its prompt removal. City shall have the right to disburse such security to cause the removal of the lien if City deems such necessary, in City's sole discretion. The indemnification and defense obligation of this subsection shall survive the expiration or earlier termination of this Lease.

**6.4 Hazardous Substances.** Lessee shall not, without City's prior written consent, keep on or about the Premises any substance designated as, or containing any component now or hereafter designated as hazardous, dangerous, toxic or harmful and/or is subject to regulation under any federal, state or local law, regulation or ordinance (hereinafter "Hazardous Substances"). Any and all costs incurred by City and associated with City's inspections of the Premises and City's monitoring of Lessee's compliance with this Subsection 6.4, including City's reasonable attorneys' fees and costs, shall be Additional Charges and shall be due and payable to City within thirty (30) days after City's written demand therefor together with reasonable supporting documentation evidencing such costs. Lessee 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 to the extent caused by Lessee's use, disposal, transportation, generation and/or sale of Hazardous Substances in or about the Premises. Lessee shall indemnify, defend and hold City harmless from any and all of the costs, fees, penalties, charges and expenses assessed against, or imposed, upon City (as well as City's attorneys' fees and costs) to the extent caused by Lessee's use, disposal, transportation, generation and/or sale of Hazardous Substances on or about the Premises. Lessee's obligation shall not include such claims, actions, costs, damages, or expenses which may be caused by the sole negligence of the City or its employees. The indemnification and defense obligation of this subsection shall survive the expiration or earlier termination of this Lease. To the maximum extent allowed by law, including Revised Code of Washington (RCW) 35.32A.090, the City shall indemnify, defend and hold Lessee harmless from any and all the costs, fees, penalties, charges and expenses assessed against, or imposed upon Lessee (as well as Lessee's attorneys' fees and costs) to the extent caused by City's negligent use, disposal, transportation, generation and/or sale of Hazardous Substances on or about the Premises. The City's obligation shall not include such claims, actions, costs, damages, or expenses which may be caused by the sole negligence of Lessee or its authorized agents or employees.

## **7. Leasehold Excise Tax**

**7.1 Exemption.** Sprint is exempt from paying leasehold excise tax on this lease under provisions of WAC 458-29A-400 and RCW 84.12.200.

7.2 Contests. Lessee shall have the right to contest the amount and validity of any taxes by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving Lessee of its covenant to pay any such taxes. City shall not be subjected to any liability or for the payment of any costs or expenses in connection with any such proceeding brought by Lessee, and Lessee hereby covenants to indemnify and hold City harmless from any such costs or expenses. The indemnification obligation of this subsection shall survive the expiration or earlier termination of this Lease.

**8. Alterations by Lessee**

Lessee shall not make any alterations, additions or improvements in or to the Premises without first submitting to PARKS plans and specifications, meeting PARKS' requirements for review, for such work and obtaining PARKS' prior written approval thereof, said approval not to be unreasonably withheld, conditioned or delayed. If Lessee proposes to make alterations to the Premises that involve or affect the concrete or asphalt pathway cap or impede or restrict public use of the Burke-Gilman Trail, PARKS may impose special conditions or requirements to protect or maintain public use of the Trail. Lessee covenants that it will cause all alterations, additions and improvements to the Premises to be completed at Lessee's sole cost and expense by a contractor approved by the City and in a timely manner that is consistent with the City-approved plans and specifications and any reasonable conditions imposed by City in connection therewith. Lessee shall secure all governmental permits and approvals required for the work; shall comply with all other applicable governmental requirements and restrictions; and reimburse City for any and all expenses incurred in connection therewith, including inspection charges. PARKS agrees to cooperate with Lessee, at Lessee's expense, in making application for and obtaining all such governmental permits and approvals required for the work. Lessee acknowledges that PARKS has no authority to influence any regulatory decisions made by other departments of the City, including the Seattle Department of Transportation and the Department of Planning and Development. Except to the extent caused by the negligence or willful misconduct of City, Lessee shall indemnify, defend and hold City harmless from and against all losses, liabilities, damages, liens, costs, penalties and expenses (including attorneys' fees, but without waiver of the duty to hold harmless) arising from or out of Lessee's performance of such alterations, additions and improvements, including, but not limited to, all which arise from or out of Lessee's breach of its obligations under terms of this Section. All alterations, additions and improvements shall become the property of City at the expiration or termination of this Lease without any obligation on its part to pay for any of the same except as may be required under Section 20 (Termination for Convenience). At City's request, Lessee shall execute a deed or bill of sale in favor of City with respect to such alterations and/or improvements. Notwithstanding the foregoing, Lessee shall remove all or any portion of such alterations and/or improvements on the expiration or termination of this Lease if City specifically so directs, in writing, at the time of City's issuance of its approval thereof. The

indemnification and defense obligation of this subsection shall survive the expiration or earlier termination of this Lease.

## 9. Maintenance, Repair and Right of Entry

9.1 Right of Entry Lessee shall have an ongoing Right of Entry for purposes of maintenance and repair of Lessee's Facilities. This Right of Entry shall be subject to the following conditions:

9.1.1 Any maintenance or repair affecting or resulting in interruption or disruption of public use of the Burke-Gilman Trail requires a minimum of 72 hours prior notice to PARKS. PARKS may elect to condition such activities upon acceptance by Lessee of appropriate traffic and safety measures as may be reasonably imposed. Lessee shall provide such security measures as deemed appropriate to protect public safety including, but not limited to, vehicle or pedestrian barricades, fencing, flaggers, or other traffic controls as necessary. Lessee must obtain all necessary permits and approvals required by applicable State and City laws, ordinances, rules and regulations to perform any work on park property.

9.1.2 In the event any repair or maintenance disrupts, damages or destroys Burke-Gilman Trail improvements or vegetation, Lessee shall restore the affected area to a condition acceptable to PARKS within 5 days of the disruption, damage or destruction unless some other schedule is agreed between the Lessee and City.

9.1.3 Any maintenance or repair activities requiring the use of heavy equipment, jackhammers or other loud equipment shall be accomplished between the hours of 8 A.M. and 5 P.M., Monday through Friday.

9.2 Emergency Repairs If emergency repair to Lessee's Facilities is necessary, due to any natural disaster such as slides, earthquake, or flood or any other reason, Lessee must notify PARKS prior to the repair and may be required to coordinate with PARKS if such natural disaster also caused damage that prohibits or restricts public use of the Burke-Gilman Trail. Any repairs undertaken pursuant to this condition shall be subject to all safety requirements noted above.

## 10. Signs and Advertising

Lessee shall not inscribe, post, place, or in any manner display any sign, notice, picture, poster, or any advertising matter whatsoever anywhere in or about the Premises without PARKS' prior written consent. Lessee shall remove all signage at the expiration or earlier termination of this Lease and repair any damage or injury to the Premises and/or to the Burke-Gilman Trail. Consistent with the above, Lessee is authorized to mark its Facilities consistent with State and Federal Law requirements.

**11. Surrender of Premises**

Subject to Section 17.3 below, at the expiration or earlier termination of the Lease Term, Lessee shall timely and diligently remove the Facilities and return the Premises to City in the same condition in which received on the Commencement Date or, if permissibly altered under this Agreement, then the Premises shall be returned in such altered condition unless otherwise directed. Lessee's obligation to remove the Facilities is subject to the requirements of Sections 8, 9 and 34 of this Lease.

**12. Waiver; Indemnification**

**12.1 Lessee's Indemnification.** Except as otherwise provided in this section, Lessee shall indemnify, defend (using legal counsel reasonably acceptable to City) and save City, City's officers, agents, employees and contractors harmless from all claims, suits, losses, damages, fines, penalties, liabilities and expenses (including City's actual and reasonable personnel and overhead costs and attorneys' fees and other costs incurred in connection with claims, regardless of whether such claims involve litigation) to the extent resulting from any actual or alleged injury (including death) of any person or from any actual or alleged loss of or damage to, any property arising out of or in connection with (i) Lessee's occupation, use or improvement of the Premises or its operation or maintenance of its Facilities thereon, or that of any of its employees, agents or contractors, (ii) Lessee's breach of its obligations hereunder, or (iii) any act or omission of Lessee or any licensee, assignee or concessionaire of Lessee, or of any officer, agent, employee, guest or invitee of any of the same in or about the Premises. Lessee agrees that the foregoing indemnity specifically covers actions brought by its own employees. The indemnification and defense obligation of this subsection shall survive the expiration or earlier termination of this Lease. THE FOREGOING INDEMNITY IS SPECIFICALLY AND EXPRESSLY INTENDED TO CONSTITUTE A WAIVER OF LESSEE'S IMMUNITY UNDER WASHINGTON'S INDUSTRIAL INSURANCE ACT, RCW TITLE 51, TO THE EXTENT NECESSARY TO PROVIDE CITY WITH A FULL AND COMPLETE INDEMNITY FROM CLAIMS MADE BY LESSEE AND ITS EMPLOYEES, TO THE EXTENT OF THEIR NEGLIGENCE. Lessee shall promptly notify City of casualties or accidents occurring in or about the Premises. CITY AND LESSEE ACKNOWLEDGE THAT THEY SPECIFICALLY NEGOTIATED AND AGREED UPON THE INDEMNIFICATION PROVISIONS OF THIS SECTION 12.

**12.2 Lessee's Release of Claims.** Lessee hereby fully and completely waives and releases all claims against City to the extent a loss or damage is covered by insurance for any losses or other damages sustained by Lessee or any person claiming through Lessee resulting from any accident or occurrence in or about the Premises, including but not limited to any failure to make repairs; any defect, failure, or collapse in the Burke-Gilman Trail; or any act, omission or negligence of other lessees, licensees or permittees or any other persons or occupants of the Burke-Gilman Trail.

12.3 Limitation of Indemnification. In compliance with RCW 4.24.115 as in effect on the Commencement Date of this Lease, all provisions of this Lease pursuant to which any Party (the "Indemnitor") agrees to indemnify the other Party (the "Indemnitee") against liability for damages arising out of bodily injury to persons or damage to property relative to the construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of, any building, road, or other structure, project, development, or improvement attached to real estate, including the Premises, (i) shall not apply to damages caused by or resulting from the sole negligence of the Indemnitee, its agents or employees, and (ii) to the extent caused by or resulting from the concurrent negligence of (a) the Indemnitee or the Indemnitee's agents or employees, and (b) the Indemnitor or the Indemnitor's agents or employees, shall apply only to the extent of the Indemnitor's negligence; PROVIDED, HOWEVER, the limitations on indemnity set forth in this section shall automatically and without further act by either City or Lessee be deemed amended so as to remove any of the restrictions contained in this section no longer required by then applicable law.

### 13. Insurance

13.1 Lessee's Insurance Coverages and Limits. Lessee shall, at its sole cost and expense, maintain and cause its contractors and subcontractors, if any, to maintain in full force and effect the following minimum limits of insurance throughout the entire Lease Term:

13.1.1 Commercial General Liability (CGL) written on an occurrence form at least as broad as ISO CG 00 01, with Minimum Limits of Liability:

- \$2,000,000 per Occurrence
- \$2,000,000 General Aggregate
- \$2,000,000 Products/Completed Operations Aggregate
- \$2,000,000 Personal/Advertising Injury Liability
- \$ 1,000,000 Damage to Premises Rented to You
- Employers Liability / Washington Stop
- \$1,000,000 Each Accident / Each Disease / Policy Limit

Alternatively, may be evidenced as Employer's Liability insurance under Part B of a Workers Compensation insurance policy.

Coverage shall include: Premises and Operations; Broad Form Property Damage (including Completed Operations); Liability assumed under an Insured Contract (including tort liability of another assumed in a business contract); Personal Injury and Advertising Liability; Independent Contractors; Severability of Interest Clause; Waiver of Subrogation endorsement in favor of Owner as required by contract; General Aggregate Limits of Insurance shall apply separately; "Claims Made" and "Modified Occurrence" policy forms are not acceptable.

The limits of liability described above are minimum limits of liability only. Regardless of provisions to the contrary under the terms of any insurance policy maintained by Lessee, the specification of any such minimum limits shall neither be (1) intended to establish a maximum limit of liability to be maintained by Lessee as respects this Agreement, nor (2) construed as limiting the liability of any of Lessee's insurers, which must continue to be governed by the stated limits of liability of the relevant insurance policies.

13.1.2 Automobile Liability insurance at least as broad as ISO CA 00 01 including coverage for owned, non-owned, leased or hired vehicles as applicable, with a minimum limit of \$2,000,000 each accident for bodily injury and property damage.

13.1.3 Workers' Compensation insurance securing Lessee's liability for industrial injury to its employees in accordance with the provisions of Title 51 of the Revised Code of Washington.

13.1.4 Umbrella or Excess Liability insurance if and as necessary to maintain total CGL and Automobile Liability insurance limits of \$2,000,000 Each Occurrence and be no less broad than coverages described above.

### 13.2 General Requirements for Lessee's Insurance.

13.2.1 The CGL insurance and, in addition, Excess and/or Umbrella liability insurance, if any, shall include "The City of Seattle, its officers, officials, employees, agents and volunteers" as additional insureds. Lessee's insurance shall be primary and non-contributory to any insurance maintained by or available to the City. The term "insurance" in this paragraph shall include insurance, self-insurance (whether funded or unfunded), alternative risk transfer techniques, capital market solutions or any other form of risk financing.

13.2.2 Coverage shall not be cancelled without thirty (30) days written notice of such cancellation, except ten (10) days written notice as respects cancellation for non-payment of premium, to the City at its notice address except as may otherwise be specified in Revised Code of Washington (RCW) 48.18.290 (Cancellation by insurer). The City and the Lessee mutually agree that for the purpose of RCW 48.18.290 (1) (e), for liability insurance the City is deemed to be a mortgagee, pledge, or other person shown by (the required insurance policies) to have an interest in any loss which may occur thereunder.

13.2.3 Each insurance policy required hereunder shall (1) be subject to reasonable approval by City that it conforms with the requirements of this Section, and (2) be issued by an insurer rated A-:VII or higher in the then-current A. M. Best's Key Rating Guide and licensed to do business in the State of



Washington unless procured under the provisions of chapter 48.15 RCW (Unauthorized insurers).

13.2.4 The cost of any claim falling within a deductible or self-insured retention ("S.I.R.") shall be the responsibility of Lessee. If a deductible or S.I.R. for CGL or equivalent insurance is not "fronted" by an insurer but is funded and/or administered by Lessee or a contracted third party claims administrator, Lessee agrees to defend and indemnify the City to the same extent as the City would be protected as an additional insured for primary and non-contributory limits of liability as required herein by an insurer.

13.3 Waiver of Subrogation. Unless such waiver would void the property insurance coverage to be provided pursuant to this section, Lessee waives all subrogation rights against the City for damages caused by fire or other perils to the extent covered by property insurance obtained pursuant to this section or other property insurance applicable to the Premises. This waiver of subrogation shall be effective to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, whether or not the person or entity paid the insurance premium directly or indirectly, and whether or not the person or entity has an insurable interest in the property damaged.

13.4 Evidence of Insurance. On or before the effective date of this Lease, which is the effective date of the ordinance authorizing the Lease, and thereafter not later than the last business day prior to the expiration date of each such policy, the following documents must be provided for the City's review and inspection as evidence of the insurance coverage required to be maintained by Lessee:

13.4.1 Certification of insurance documenting compliance with the coverage, minimum limits and general requirements specified herein; and

13.4.2 A copy of the policy's declarations pages, showing the insuring company, policy effective dates, limits of liability and the Schedule of Forms and Endorsements specifying all endorsements listed on the policy including any company-specific or manuscript endorsements. In lieu of these documents, Lessee may provide written verification from its Risk Manager or a corporate executive verifying that insurance is in place that meets all lease requirements.

13.4.3 Lessee will maintain blanket endorsements documenting the City of Seattle and its officers, elected officials, employees, agents and volunteers as additional insureds on line at <https://www.autocert.lockton.com/key/termsandConditions.aspx?ck=L11N23640Q4261J594440> where they may be reviewed, downloaded and/or printed at any time. Lessee will inform the City annually of any changes in said blanket endorsements.

13.5 Assumption of Property Risk. The placement and storage of Lessee's Business Personal Property in or about the Premises shall be the responsibility, and at the sole risk, of Lessee.

13.6 Adjustments of Claims. The Lessee shall provide for the prompt and efficient handling of all claims for bodily injury, property damage or theft arising out of the activities of the Lessee under this Agreement.

13.7 Lessee's Responsibility. The procuring of the policies of insurance required by this Agreement shall not be construed to limit the Lessee's liability under the Lease. Notwithstanding said insurance, the Lessee shall be obligated for the full and total amount of any damage, injury or loss caused by negligence of the Lessee, or any of its agents, officers, employees, contractors or subcontractors or through use or occupancy of the Premises or operation or maintenance of Lessee's Facilities thereon.

**14. Assignment or Sublease**

Lessee shall not sublet or encumber the whole or any part of the Premises, nor shall this Lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court or otherwise, without the prior written consent of City, whose consent shall be given or withheld in its sole discretion. The granting of consent to a given transfer shall not constitute a waiver of the consent requirement as to future transfers. Any assignment without City's prior written consent, at City's option, shall be void. No assignment shall release Lessee from primary liability hereunder. Each assignment shall be by an instrument in writing in form satisfactory to City. If Lessee is a corporation, then any transfer of this Lease by merger, consolidation or liquidation, or any direct or indirect change in the ownership of or power to vote the majority of Lessee's outstanding voting stock shall constitute an assignment for the purposes of this Lease. If Lessee is a partnership, then a change in general partners in or voting or decision-making control of the partnership shall also constitute an assignment.

**15. Assignment by City**

If City sells or otherwise transfers the Premises, or if City assigns its interest in this Lease, such purchaser, transferee, or assignee thereof shall be deemed to have assumed City's obligations under this Lease arising after the date of such transfer, and City shall

thereupon be relieved of all liabilities under this Lease arising thereafter, but this Lease shall otherwise remain in full force and effect. Lessee shall attorn to City's successor, which assumes and agrees to perform all of City's obligations under this Lease.

## 16. Eminent Domain

16.1 Taking. If all of the Premises are taken by Eminent Domain, this Lease shall terminate as of the date Lessee is required to vacate the Premises and all Rent and Additional Charges shall be paid to that date. The term "Eminent Domain" shall include the taking or damaging of property by, through or under any governmental or statutory authority, and any purchase or acquisition in lieu thereof, whether the damaging or taking is by government or any other person. If a taking of any part of the Premises by Eminent Domain renders the remainder thereof unusable for the business of Lessee, in the reasonable judgment of City, the Lease may, at the option of either party, be terminated by written notice given to the other party not more than thirty (30) days after City gives Lessee written notice of the taking, and such termination shall be effective as of the date when Lessee is required to vacate the portion of the Premises so taken. If this Lease is so terminated, all Rent and Additional Charges shall be paid to the date of termination. Whenever any portion of the Premises is taken by Eminent Domain and this Lease is not terminated, City, at its expense, shall proceed with all reasonable dispatch to restore, to the extent of available proceeds and to the extent it is reasonably prudent to do so, the remainder of the Premises to the condition they were in immediately prior to such taking, and Lessee, at its expense, shall proceed with all reasonable dispatch to restore its personal property and all improvements made by it to the Premises to the same condition they were in immediately prior to such taking, to the extent award is available therefor. The Rent and Additional Charges payable hereunder shall be reduced from the date Lessee is required to partially vacate the Premises in the same proportion that the rentable area taken bears to the total rentable area of the Premises prior to taking.

16.2 Award. Except as otherwise provided below, City reserves all right to the entire damage award or payment for any taking by Eminent Domain, and Lessee waives all claim whatsoever against City for damages for termination of its leasehold interest in the Premises or for interference with its business. Lessee shall have the right to claim from the condemning authority all compensation that may be recoverable by Lessee on account of any loss incurred by Lessee in moving Lessee's Fixtures from the Premises.

## 17. Default by Lessee

17.1 Definition. If Lessee violates, breaches, or fails to keep or perform any term, provision, covenant, or any obligation of this Lease; or if Lessee files or is the subject of a petition in bankruptcy, or if a trustee or receiver is appointed for Lessee's assets or if Lessee makes an assignment for the benefit of creditors, or if Lessee is adjudicated insolvent, or becomes subject to any proceeding under any bankruptcy or insolvency

law whether domestic or foreign, or liquidated, voluntarily or otherwise, then Lessee shall be deemed in default ("Default").

17.2 City Remedies. If Lessee has defaulted and such Default continues or has not been remedied to the reasonable satisfaction of the City within sixty (60) days after written notice thereof has been provided to Lessee, then City shall have the following nonexclusive rights and remedies at its option: (i) to cure such default on Lessee's behalf and at Lessee's sole expense and to charge Lessee for all actual and reasonable costs and expenses incurred by City in effecting such cure as an Additional Charge; (2) to terminate this Lease; provided, however, that if the nature of Lessee's obligation (other than monetary obligations and other than vacation or abandonment of the Premises) is such that more than thirty (30) days is required for performance, then Lessee shall not be in default if it commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

17.3 Termination due to Lessee's Default. Upon the termination of this Lease due to Lessee's Default, Lessee's improvements may, in the City's sole discretion, be considered abandoned in place and become the property of the City.

#### **18. City's Remedies Cumulative; Waiver**

City's rights and remedies hereunder are not exclusive, but cumulative, and City's exercise of any right or remedy due to a default or breach by Lessee shall not be deemed a waiver of, or alter, affect or prejudice any other right or remedy that City may have under this Lease or by law or in equity. Neither the acceptance of rent nor any other act or omission of City at any time or times after the happening of any event authorizing the termination of this Lease shall operate as a waiver of any past or future violation, breach or failure to keep or perform any covenant, agreement, term or condition hereof or to deprive City of its right to terminate this Lease, upon the written notice provided for herein, at any time that cause for termination may exist, or be construed so as to estop City at any future time from promptly exercising any other option, right or remedy that it may have under any term or provision of this Lease.

#### **19. Default by City**

City shall be in default if City fails to perform its obligations under this Lease within thirty (30) days after its receipt of notice of nonperformance from Lessee; provided, that if the default cannot reasonably be cured within the thirty (30) day period, City shall not be in default if City commences the cure within the thirty (30) day period and thereafter diligently pursues such cure to completion. Upon City's default, Lessee may pursue any remedies at law or in equity that may be permitted from time to time by the laws of the State of Washington, including, but not limited to, the right to terminate this Agreement.

**20. Termination for Convenience**

Notwithstanding anything else in this Lease to the contrary, the City may, at any time, terminate this Lease upon one hundred and eighty (180) days written notice to Lessee if the City determines that the Premises are required for a different public purpose. Lessee may terminate this Lease at any time upon thirty (30) days prior written notice to City. In the event that Lessee exercises its option to terminate pursuant to this Section 20 for convenience, there shall be no reimbursement of pre-paid rent.

**21. Attorneys' Fees**

If either party retains the services of an attorney in connection with enforcing the terms of this Lease, each party agrees to bear its own attorneys' fees and costs.

**22. Holding Over**

Unless otherwise agreed in writing by the parties hereto, any holding over by Lessee after the expiration of the Lease Term, whether or not consented to by City, shall be construed as a tenancy from month-to-month on the terms and conditions set forth herein. Either party may terminate any holdover tenancy by written notice delivered to the other party not later than twenty (20) days prior to the end of the final month. If Lessee fails to surrender the Premises upon the expiration or termination of this Lease without City's written consent, Lessee shall indemnify, defend and hold harmless City from all losses, damages, liabilities and expenses resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding lessee arising out of such failure. Lessee's obligations under this paragraph shall survive expiration or termination of this Lease.

**23. Notices**

Any notice, demand or request required hereunder shall be given in writing to the party's address set forth in Subsection 1.5 hereof by any of the following means: (a) personal service; (b) commercial or legal courier; or (c) registered or certified, first class mail, postage prepaid, return receipt requested. Such addresses may be changed by notice to the other parties given in the same manner as above provided. Notices shall be deemed to have been given upon the earlier of actual receipt, as evidenced by the deliverer's affidavit, the recipient's acknowledgment of receipt, or the courier's receipt, except in the event of attempted delivery during the recipient's normal business hours at the proper address by an agent of a party or by commercial or legal courier or the U.S. Postal Service but refused acceptance, in which case notice shall be deemed to have been given upon the earlier of the day of attempted delivery, as evidenced by the messenger's affidavit of inability to deliver stating the time, date, place and manner in which such delivery was attempted and the manner in which such delivery was refused,

or on the day immediately following deposit with such courier or, if sent pursuant to (c) above, 48 hours following deposit in the U.S. mail.

**24. No Assignment**

Lessee shall not assign or transfer any rights or privileges conferred by this Lease without the express written consent of the City. The approval of any assignment or transfer shall be within the City's sole discretion.

**25. Authority and Liability**

The Parties warrant that this Lease has been duly authorized, executed and delivered, and, subject to the approval of the City Council and the provision of authorizing legislation, that the Parties have the requisite power and authority to enter into this Lease and perform its obligations hereunder. All persons and entities named as Lessee herein shall be jointly and severally liable for Lessee's liabilities, covenants and agreements under this Lease.

**26. Partial Invalidity**

If any court determines that any provision of this Lease or the application hereof to any person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Lease, or application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each other term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

**27. Force Majeure**

Neither City nor Lessee shall be deemed in default hereof nor liable for damages arising from its failure to perform its duties or obligations hereunder if such is due to any cause beyond its reasonable control, including, but not limited to, an act of Nature, act of civil or military authority, fire, flood, windstorm, earthquake, strike or labor disturbance, civil commotion, delay in transportation, governmental delay, or war; provided, however, that the foregoing shall not excuse Lessee from the timely payment of Rent and Additional Charges due hereunder, when due.

**28. Counterparts**

This parties may execute this Lease in counterparts, which, taken together, constitute the entire Lease.

**29. Headings**

The section headings used in this Lease are used for purposes of convenience and do not alter in any manner the content of the sections.

**30. Context**

Whenever appropriate from the context, the use of any gender shall include any other or all genders, and the singular shall include the plural, and the plural shall include the singular.

**31. Execution by City and Lessee; Effective Date**

Neither City nor Lessee shall be deemed to have made an offer to the other party by furnishing the other party with a copy of this Lease with particulars inserted. No contractual or other rights shall exist or be created between City and Lessee until all parties hereto have executed this Lease and the appropriate legislative authority has approved it. This Lease shall become effective after signature of the parties and upon the effective date of the authorizing ordinance. City shall have no liability to Lessee and shall have the right to terminate this Lease upon written notice to Lessee if this Lease is legislatively disapproved.

**32. Time of Essence; Time Calculation Method**

Time is of the essence with respect to this Lease. Except as otherwise specifically provided, any reference in this Lease to the word "day" means a "calendar day," provided, however, that if the final day for any action required hereunder is a Saturday, Sunday or City holiday, such action shall not be required until the next succeeding day that is not a Saturday, Sunday or City holiday. Any reference in this Lease to the word "month" means "calendar month."

**33. Continuous Operation**

Lessee shall not be allowed to close the Burke-Gilman Trail for any work on Lessee's Facilities without written permission from the City, which will not be unreasonably withheld, conditioned or delayed. Subject to PARKS' prior reasonable approval, Lessee may, upon complying with such conditions as PARKS may impose to minimize disruption or restriction of public use of the Burke-Gilman Trail, including but not limited to requirements such as providing adequate public notification, posting sign(s), providing flaggers or an approved detour plan, if necessary for public safety, be allowed to close or restrict public use of the reasonably necessary portion of the Burke-Gilman Trail for a reasonable period for repairs or any approved construction.

**34. Standards**

Lessee recognizes that, although it is operating its Facilities as an independent operator, Seattle Parks and Recreation is organized and exists for the purpose of maintaining park and recreation facilities for the use and enjoyment of the general public. Lessee, its agents and employees, will devote their efforts toward rendering courteous service to the public as though they were employees of the City, with a view of adding to the enjoyment of the patrons of the Burke-Gilman Trail as a recreational facility.

Lessee shall operate the Facilities on the Premises in a businesslike manner and shall not permit any conduct on the part of Lessee's employees which would be detrimental to City's operation of the Burke-Gilman Trail or to public use of it.

**35. Entire Lease; Amendments; Applicable Law**

This Lease sets forth the entire agreement of City and Lessee concerning the Premises and Lessee's operation and maintenance of its Facilities thereon, and there are no other agreements or understanding, oral or written, between City and Lessee concerning the Premises. Any modification or amendment to this Lease shall be subject to City Council approval. This Lease shall be governed by and construed in accordance with the laws of the State of Washington.

**36. Negotiated Lease**

The parties to this Lease acknowledge that it is a negotiated agreement, that they have had the opportunity to have this 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.

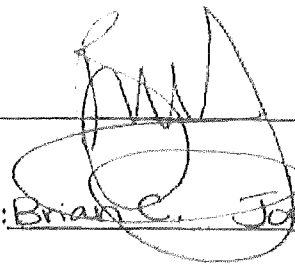
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IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year indicated below.





**LESSEE:**  
**SPRINT COMMUNICATIONS COMPANY L.P.**

By:  \_\_\_\_\_ Date 5/8/2015

Print Name/Title: Brian E. Jordan, Director, Real Estate

**LESSOR:**  
**THE CITY OF SEATTLE**

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

Print Name/Title: \_\_\_\_\_

STATE OF KANSAS )  
 ) ss. (Acknowledgement for Sprint)  
COUNTY OF JOHNSON )

On this 8<sup>th</sup> day of May, 2015, before me, a Notary Public in and for the State of Kansas, duly commissioned and sworn, personally appeared Brian C. Jordan, to me known to be the (title) Director, Real Estate for Sprint Communications Company L.P., the entity that executed the foregoing instrument as Lessee, and acknowledged to me that he/she signed the same as the free and voluntary act and deed of said entity for the uses and purposes therein mentioned and that he/she was authorized to execute said instrument for said entity.

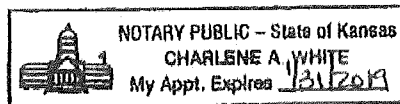
WITNESS my hand and official seal the day and year in this certificate above written.

Charlene A. White  
(Signature)

Charlene A. White  
(Printed Name)

NOTARY PUBLIC in and for the State of Kansas residing at 331 W Pear, Gardner, KS 66030

My commission expires 1/31/2019



STATE OF WASHINGTON )  
 ) ss. (Acknowledgement for City)  
COUNTY OF KING )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of the Department of Parks and Recreation of THE CITY OF SEATTLE, the party that executed the foregoing instrument as City, and acknowledged said instrument to be the free and voluntary act and deed of said party, for the purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

NOTARY PUBLIC in and for the State of Washington residing at \_\_\_\_\_.

My commission expires \_\_\_\_\_.

