

**LEASE AGREEMENT BETWEEN THE CITY OF YAKIMA
AND
GRACE CITY OUTREACH**

THIS LEASE AGREEMENT (hereinafter "Lease"), is executed by and between the City of Yakima, a Washington State municipal corporation (hereinafter "LESSOR") and Grace City Outreach, a Washington State non-profit corporation with IRS 501(c)(3) status and a religious organization pursuant to RCW 35.21.915 (hereinafter "LESSEE".)

WHEREAS, LESSOR has property available for lease as provided by this Lease, and LESSEE desires to occupy and use such property in accordance with this Lease and RCW 35.21.915,

NOW THEREFORE, in consideration of the mutual promises contained herein and the benefit to be derived by each party, the parties agree as follows:

1. **LEASED PREMISES.** LESSOR does hereby lease and let unto LESSEE and LESSEE does hereby lease and take from LESSOR, that unimproved property described below (hereinafter referred to as "Property" or "leased premises") and as depicted on the drawing marked as **Exhibit 1**, attached hereto and by this reference made a part hereof:

All that portion of Tracts 33 and 40 of Goodwin's Five Acre Tracts, Recorded in Volume 'A' of plats, Page 18, records of Yakima County, Washington described as follows:

Beginning at the Southwest Corner of Tract 40, as described on Record of Survey, recorded under Auditors File No. 7718968, records of Yakima County, Washington; thence N 0°15'41" E 75 feet; thence S 89°44'19" E 10 feet, to the point of True Beginning; thence N 0°15'41" E 345 feet; thence S 89°44'19" E 280 feet; thence S 0°15'41" W 345 feet; thence N 89°44'19" W 280 feet, plus or minus, to the point of True Beginning.

PURSUANT to negotiations, it is understood by LESSOR that LESSEE intends to use the Property as a temporary homeless encampment pursuant to RCW 35.21.915, as amended, and ESHB 1754. LESSEE acknowledges and understands that the property has limited water and sewer connection access and electrical services as of the date of this Lease. LESSEE takes all services and utilities "as is, where is" and has an opportunity to inspect the Property and make itself aware of utility locations.

LESSEE acknowledges that it is a religious organization pursuant to the term as used in RCW 35.21.915.

2. **TERM AND RENEWAL.** The tenancy created by this Lease shall commence upon signatures of both parties, and shall commence on August 5, 2020, and continue for a period of approximately three years until July 31, 2023, unless otherwise terminated as provided for herein. This Lease may be renewed in one year increments for two additional one-year terms after July 31, 2023. The last date under this Lease, if the two additional terms are exercised, will be July 31, 2025.

3. **RENT.** In consideration for LESSEE's agreement to the terms and conditions of this Lease, and that LESSEE shall use the property to operate a temporary homeless encampment for homeless individuals, providing a safe, more secure area for homeless individuals to camp, and providing services and aid to persons experiencing homeless while they search for transitional or other housing, no rent shall be required as part of this Lease.
4. **TAXES AND LIENS.** LESSEE promises and agrees to pay, as the same become due and payable, all licenses, fees and taxes, including but not limited to the leasehold excise, required to be paid by LESSEE by reason of this Lease and by reason of LESSEE's use and occupancy of the leased premises and by reason of LESSEE's construction or ownership of improvements to the leased premises. LESSEE shall neither suffer nor permit the attachment of any lien or other encumbrance on the leased premises by reason of LESSEE's occupancy thereof. LESSEE agrees to indemnify LESSOR and shall hold LESSOR harmless from any such taxes and liens.
5. **USE.**

(a) Age Restrictions. Unaccompanied persons under the age of 18 are prohibited at the homeless encampment. Persons under the age of 18 must be accompanied by a parent or legal guardian and that family unit should be encouraged to take advantage of services through other entities. LESSEE shall connect the family unit to other service providers to attempt to find alternate accommodations. If there is no other option for the family with children, such family with children may stay at the homeless encampment if there is an approved area for families. Approved areas must be physically separated from the general encampment by a site screened fence and gate that is guarded 24 hours per day by a staff person that is not a resident. Approved areas must have their own bathroom and handwashing facilities, as well as their own community areas for relaxing, eating and/or recreation. The City in its sole discretion shall approve an area for families.

(b) General Use. LESSEE agrees to use the leased premises solely for operating and facilitating a temporary encampment for homeless persons, and associated services. Attached as **Exhibit 2**, subject to the terms outline din this lease agreement and fully incorporated herein, is an operations plan and summary of the services and activities that are expected to be offered at the temporary homeless encampment, subject to the terms outlined in this lease agreement. No persons shall occupy the property and use it as a temporary encampment or otherwise stay overnight, camp or otherwise occupy the Property in a temporary residential capacity during any time period outside this lease agreement.

(c) Additional facilities onsite. LESSEE, with express written permission of LESSOR, through its City Manager, or their designee, may construct on-site facilities such as community buildings, or other similar improvements and facilities upon receiving all necessary permits pursuant to the Yakima Municipal Code and state law. Any such facilities should be able to be used in the various seasons typical in Yakima. Facilities other than temporary bathroom, shower, kitchen and/or laundry facilities, shall not be connected to underground utilities, such as water and sewer. No residential/living facilities shall be connected to underground utilities. No facilities at the encampment shall be affixed to the ground permanently.

(d) Organized Religious Activities. No homeless services provided by LESSEE or any of LESSEE's subcontractors or partner agencies shall be denied due to a person's religious affiliation or lack thereof. LESSEE is hereby prohibited from conducting, or allowing other organizations to enter the encampment to conduct, prayer and/or other religious activities in locations and at times where the encampment's occupants' only way to avoid them is to leave a common area or the encampment. This includes any community or dining tents.

6. **UTILITIES.** LESSEE accepts all utility facilities as now existing at the location "as is, where is" and understands that the LESSOR shall not be responsible for moving, adding or supplementing any utilities or utility facilities. All costs for utilities, including any costs for infrastructure necessary for said utilities, shall be paid by LESSEE.

LESSEE shall install a meter and be charged separately from the City for all electricity charges at no charge to LESSOR. LESSEE shall be responsible for the operation and maintenance of the meter and any damages to the meter or power pole associated with the meter or LESSEE'S use of the power pole for electricity. LESSEE shall coordinate with Pacific Power to have all billings for electricity used during the term of this lease to be billed directly to the LESSEE. A meter shall be installed prior to November 15, 2017.

LESSEE may connect non-residential temporary structures or facilities not permanently affixed to the ground to public water and/or sewer with the express written consent of the LESSOR and approval of the location of pipelines and facilities by LESSOR. In the event LESSEE connects the property to public water and/or sewer, LESSEE is responsible for all costs associated therewith, from the main water and sewer line to and throughout the property, including, but not limited to permit fees, connection fees, and construction costs. LESSEE shall also be responsible for obtaining any necessary easements or rights to cross private property if necessary. Said easements and improvements shall be transferred to the LESSOR at the termination of this Lease. LESSEE shall be limited to no more than three connections for temporary bathroom, shower and/or kitchen facilities, unless otherwise agreed to, in writing, by the LESSOR.

LESSEE shall be responsible for all utility charges, including, but not limited to, electricity, water, sewer and garbage charges for the property. All billings shall be in the name of LESSEE and all payments shall be promptly made upon receiving a bill, and in no event shall any payment become delinquent. Delinquent payments for utilities may be considered a default under the terms and conditions of this Lease.

7. **CLEANING AND SANITATION.** LESSEE acknowledges that the property shall be kept in a clean and sanitary condition, including, but not limited to, property maintenance, mowing, weekly garbage service (or more often if sanitation requires), sanitation facilities, such as portable toilets and hand washing stations, and safe bio-hazard disposal areas. All facilities shall be provided at the expense of the LESSEE and shall be cleaned and serviced as needed to maintain a safe and sanitary environment.
8. **PREMISES CONDITION AND FENCING.** LESSEE has made a full inspection of the premises, is fully aware of its condition and accepts the premises on an "AS-IS" basis. LESSEE agrees to pay for any improvements, repairs and/or modifications necessary to

LESSEE's use, including but not limited to all costs associated with the installation of improvements necessary to run a temporary homeless encampment.

All activities and services provided to the homeless as part of the temporary homeless encampment shall occur within a fenced perimeter. LESSOR shall provide temporary fencing in the length of 777 feet to LESSEE as part of this Lease. The fencing shall remain the property of LESSOR and any damage or loss to fencing owned by LESSOR shall be the responsibility of LESSEE. LESSEE shall return LESSOR's 777 feet of fencing in its original condition, normal wear and tear excepted, to the LESSOR at the termination of this Lease. In the event additional fencing is needed by LESSEE to conduct its activities and services for homeless persons on the property within a fenced area, LESSEE is responsible for any and all additional costs, including permits and installation costs, associated with placement of additional fencing.

9. **CONSTRUCTION OF ACCESS WAY FOR CITY VEHICLES.** Due to LESSEE's desired location for the temporary homeless encampment, LESSEE acknowledges that it is necessary for LESSEE to construct an access driveway, including, but not limited to the necessary curb cut in a width and location approved by the LESSOR, and approach. The access driveway design, materials and location shall be approved by the City Engineer and constructed at the sole expense of LESSEE. LESSEE shall be responsible for obtaining all necessary permits to construct the access way. Said access way shall be constructed when, separately from this Lease, specifically requested by the City in writing. Once the request is received, LESSEE shall have 60 days to finish construction of the access way unless a different time period is agreed upon by the parties.
10. **MAINTENANCE.** LESSEE agrees to keep and maintain the premises in at least as good a condition as the condition of the premises as if no temporary homeless encampment had existed on the Property. LESSEE further agrees that LESSEE shall be responsible to maintain all leased areas, trade fixtures, water and sewer lines and facilities, and other improvements, existing and future, in an attractive and usable manner consistent with other LESSOR property. LESSEE understands and acknowledges that it is responsible for all maintenance of the water and sewer lines and facilities within the boundaries of the temporary emergency homeless encampment. Any back-ups, breaks, or other damages to the water or sewer lines therein shall be promptly fixed by LESSEE at its sole cost and expense.

LESSEE agrees to maintain the areas adjacent to the property used by LESSEE in a safe, sanitary, and usable condition at all times.

LESSEE is responsible for snow removal along the driveway access and weed control on the Property.

11. **SIGNS AND SITE SCREENING.** No signs are allowed on the property unless approved in writing by LESSOR. The site shall be fenced. Additional site screening shall be mutually agreed to by the parties.
12. **IMPROVEMENTS.** No improvements other than those specifically mentioned herein are contemplated by this Lease. In the event improvements are made by LESSEE or LESSOR that are affixed to the land, such improvements shall become part of the property and revert to LESSOR upon termination of this Lease, or removed by LESSEE if originally

made by LESSEE, the determination of which shall be made by LESSOR, at no cost to the LESSOR.

- 13. REGULATIONS.** LESSEE agrees to comply with all applicable laws, ordinances, rules, regulations and policies of all governmental authorities, including policies adopted by LESSOR, as such laws, ordinances, rules, regulations and policies apply to the use and operation of the leased property and as those laws, ordinances, rules, regulations and policies now exist or may hereafter become effective.

LESSEE agrees to formulate a Code of Conduct, or other similar good neighbor agreement and/or rules of conduct for the temporary homeless encampment. Such Code of Conduct for use of the temporary homeless encampment by its residents should include, but not be limited to, requiring that residents not commit violations of the law, that residents have respect for other residents and neighboring property owners, and other such regulations that ensure that the residents, and neighboring property owners and residents, are safe, secure, and that the public health and safety is maintained. A copy of the Code of Conduct shall be provided to the LESSOR.

LESSEE shall comply with all building, fire, and safety regulations, including, but not limited to building codes concerning any structures built on premises and perm it fees, if written permission is granted to construct on-site facilities of any kind.

- 14. SITE PLAN.** LESSEE, prior to the beginning date of this Lease, shall provide to the City a site plan that generally depicts how the site will be set up, the location of sanitation and other group facilities, ingress and egress for emergency vehicles, as well as the maximum occupancy of said encampment. Maximum occupancy shall be determined by the City of Yakima. Any modification of the site plan to allow for improvements or other additional facilities shall be agreed to and approved by LESSOR. The site plan shall be affixed hereto as **Exhibit 3**.

- 15. SUBLETTING AND ASSIGNMENT.** This Lease, or any interest herein or claim hereunder, shall not be assigned or transferred in whole or in part by LESSEE to any other person or entity without the prior written consent of LESSOR. LESSOR is the sole determiner of whether the Lease may be assigned, and its decision cannot be challenged. In the event that such prior written consent to an assignment is granted, then the assignee shall also assume all duties, obligations and liabilities of LESSEE stated herein.

- 16. MISCELLANEOUS PROVISIONS.**

A. The parties agree that LESSOR may enter upon the leased premises at any reasonable time to make such inspections as LESSOR may deem necessary to the proper enforcement of any term, provision or condition of this Lease. No such entry or inspection by LESSOR is required by this provision, and the failure of LESSOR to enter and make inspection shall not alter the relationship of the parties and their respective rights and duties provided by this Lease. LESSEE shall be granted the right of quiet enjoyment upon performance of all terms of this Lease.

B. LESSOR reserves the right to take any action necessary or desirable by LESSOR to protect the LESSOR's property against any activity interfering with the efficient operation of the LESSOR's activities, together with the right to prevent LESSEE from erecting, or

permitting to be erected, any building or other structure on the LESSOR's property which, in the opinion of the LESSOR, would limit the usefulness of the property or constitute a hazard.

C. LESSOR shall have the right to use, unobstructed, the driveway off of 22nd Street for ingress and egress to LESSOR'S property for maintenance, operations, public safety, or other purposes. The driveway off of 22nd Street shall not be obstructed by parked or stationary vehicles, personal property, gates, persons or otherwise, at any time.

D. All parking of occupants of the temporary homeless encampment shall be within the leased property. If a parking area is proposed, it must be paved or graveled to avoid parking on dry grasses or combustible materials. No automotive work or maintenance may be done on premises and LESSEE shall not allow people to live in their vehicles, including RVs, on premises. Parking areas shall be indicated on the Site Plan.

17. INDEMNITY/DUTY TO DEFEND.

A. At no expense to LESSOR, LESSEE shall defend against and indemnify fully and save harmless the City of Yakima and its elected and appointed officials, employees and agents, from any and all liability, damages, suits, claims, actions, judgments or decrees, including all expenses incidental to the investigation and defense thereof and including reasonable attorneys' fees, based on or arising from the occupancy or use of the leased premises by LESSEE, its servants, employees, agents, invitees, independent contractors or any entity, person, firm or corporation acting on behalf of LESSEE or under its direction, whether such claim shall be by LESSEE or a third party.

B. LESSEE agrees to reimburse LESSOR for any damage to City property, including the leased premises, caused by the occupancy of LESSEE, its employees, agents, servants, invitees, independent contractors or any person acting on behalf of LESSEE or under its direction.

C. LESSEE shall keep and hold the City of Yakima, its elected and appointed officials, agents and employees, free and harmless from any and all claims and actions, loss, damage, expense or cost, including reasonable attorneys' fees, incidental to the investigation and defense thereof, resulting from, arising out of, or caused by LESSEE's use of the leased premises resulting in any liability under the Federal Comprehensive Environmental Response Compensation Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq.; Hazardous Materials Transportation Act, 49 U.S.C. 1801 et seq.; Resource Conservation and Recovery Act, 42 U.S.C. 6901 et seq.; the Clean Water Act, 42 U.S.C. 1251 et seq.; the Washington Environmental Policy Act, RCW Ch. 43.21C; the Washington Water Pollution Control Act, RCW Ch. 90.48; the Washington Hazardous Waste Management Act, RCW Ch. 70.105; the Washington Model Toxic Control Act, RCW Ch. 70.105D, and the regulations promulgated thereunder, or under any applicable local or state environmental ordinance, statute, law, rule or regulation. The provisions of this subsection shall survive the termination of this Lease.

D. Further, during the term of this Lease where LESSEE is operating a temporary homeless encampment on the property, LESSEE agrees and acknowledges that RCW 35.21.915(d), and as amended, applies to the property and this Lease. That section as of the date of this Lease, specifically states:

An appointed or elected public official, public employee, or public agency as defined in RCW 4.24.470 is immune from civil liability for (a) damages arising from the permitting decisions for a temporary encampment for the homeless as provided in this section and (b) any conduct or unlawful activity that may occur as a result of the temporary encampment for the homeless as provided in this section.

LESSEE shall defend, indemnify and hold harmless LESSOR, its appointed or elected public officials, and public employees from any claims for damages arising from permitting decisions for the temporary homeless encampment, including entry into this Lease, as well as any conduct or unlawful activity that may occur as a result of the temporary homeless encampment.

18. DEFAULT, TERMINATION & FORFEITURE.

A. The failure by LESSEE to comply with any term, provision or condition of this Lease shall constitute grounds for termination of this Lease. This Lease and tenancy shall terminate on written notice by LESSOR to LESSEE stating accurately the manner in which LESSEE fails or has failed to comply with this Lease. LESSEE shall comply with this Lease in the manner specified in the notice within thirty (30) days from LESSEE's receipt of such notice, otherwise this Lease and tenancy shall be terminated. Such notice shall be given in writing and served on LESSEE by personal delivery or mailed by certified mail with return receipt requested addressed to LESSEE at its address stated below or such other address as the parties may advise each other in writing. It is further agreed that after receipt of notices and as an additional condition to avoid forfeiture, LESSEE shall pay LESSOR's costs and expenses, including attorney's fees, for the preparation and service of such notice. Notices shall be deemed received three (3) days after mailing to LESSEE at the address below or such other address as the parties may advise each other in writing.

B. Either party may terminate this Lease, with or without cause, upon forty-five (45) calendar days' written notice.

C. Upon termination of this Lease for any reason, LESSEE shall immediately surrender the premises to the LESSOR in good condition and repair, ordinary wear and usage excepted, and as required by this Lease; and LESSEE shall remove all of LESSEE'S personal property, trade fixtures, or equipment from the premises and shall repair any damage to the premises caused by such removal. Any personal property of LESSEE, or anyone claiming under LESSEE, which shall remain upon the premises at the expiration or termination of this Lease shall be deemed to have been abandoned and may be retained by LESSOR as LESSOR'S property or disposed of by LESSOR in such manner as LESSOR sees fit without compensation to LESSEE. Further, LESSEE shall remove all occupants from the temporary homeless encampment as of the effective date of termination of the Lease, whether it be through default or at the end of this Lease's term.

19. NON-DISCRIMINATION CLAUSE. To the extent required by law, LESSEE, for itself, its personal representatives, agents, officers, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as follows:

A. No person, on the grounds of race, color, religion, sex, age, marital status, handicap or national origin, shall be unreasonably excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in LESSEE's personnel policies and practices or in the use or operation of LESSEE's services or facilities.

B. LESSEE agrees that in the construction of any improvements on, over or under the leased premises and the furnishing of services thereon, no person, on the grounds of race, color, religion, sex, marital status, handicap, age or national origin, shall be unreasonably excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.

C. LESSEE agrees that participation in religious activities will not be required to obtain any of the services provided on the property that is subject to this Lease.

20. INSURANCE. It is understood the City does not maintain liability insurance for the LESSEE and/or its officers, employees, agents and/or subcontractors.

Further, LESSEE shall obtain insurance as follows:

A. Property Insurance. On or before the effective date of this Lease LESSEE shall procure and maintain a policy or policies of property insurance in an amount acceptable to the LESSOR with respect to the Property and LESSEE's personal property. LESSEE will hold the City harmless for any damage to property owned by LESSEE and waive its right of subrogation for any damage to their property.

B. Liability Insurance. On or before the effective date of this Lease, LESSEE shall provide the City proof of liability insurance in the amount of Two Million Dollars (\$2,000,000.00) per occurrence combined bodily injury and property damage that states who the provider is, the amount of coverage, the policy number and when the policy and provisions provided are in effect. The policy shall name the City, its elected and appointed officials, officers, agents, and employees as additional insureds and shall contain a clause that the insurer will not cancel or change the insurance without first giving the City thirty (30) days' prior written notice. A copy of all such policies shall be provided to the City upon request.

21. INTEGRATION AND SUPERSESSION. This document embodies the entire Lease between the parties with respect to the subject matter herein contained and supersedes any and all prior negotiations, discussions, agreements, and understandings between the parties as to the subject matter hereof, which are hereby declared terminated and of no further force and effect. No amendments or modifications hereof shall be enforceable unless in writing, signed by both parties.

22. SEVERABILITY. If a court of competent jurisdiction holds any part, term or provision of this Lease to be illegal, or invalid in whole or in part, the validity of the remaining provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Lease did not contain the particular provision held to be invalid. If any provision of this Lease is in direct conflict with any statutory provision of the State of Washington, that provision which may conflict shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

the instrument and acknowledged it to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Date _____

By: _____
Notary Public for the State of Washington
Residing at: _____
Appointment Expires _____

STATE OF WASHINGTON)
) ss
County of Yakima)

I certify that I know or have satisfactory evidence that Alex Meyerhoff signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the Interim City Manager of the City of Yakima, Washington to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Date: _____

By: _____
Notary Public for the State of Washington
Residing at: _____
Appointment Expires _____