

**LEASE AGREEMENT
FOR UNITY CARE NORTHWEST WAY STATION, SUITE 101**

Unity Care Northwest, hereinafter called **Lessee**, and Whatcom County, hereinafter referred to as **County**, agree and contract as set forth in this Agreement, including:

General Conditions, pp. 3 to 6,
Exhibit A (Certificate of Insurance), p. 7.

Copies of these items are attached hereto and incorporated herein by this reference as is fully set forth herein.

The term of this Lease shall commence upon issuance of a Certificate of Occupancy by the City of Bellingham, and shall, unless terminated or renewed as elsewhere provided in this agreement, terminate on the final day of the month, 15 years after Certificate of Occupancy date. A formal letter establishing this date will be sent out from Whatcom County once approvals have been achieved.

The general purpose or objective of this Lease Agreement is to **lease portion of the Way Station property located at 1500 State Street, Suite 101, Bellingham, WA 98225 (herein "Property") to provide clinical and hygiene services**, and as more fully and definitely described in General Conditions – Paragraph 0.1 (Nature of Lease).

In consideration for the lease of property specified above, Lessee agrees to fund and provide Clinical Care services for a period of ten years, and pay a total of \$1 annually for rent.

Contractor acknowledges and by signing this contract agrees that the Indemnification provisions set forth in Paragraphs 11.1, 21.1, 30.1, 31.2, 32.1, 34.2, and 34.3, if included, are totally and fully part of this contract and have been mutually negotiated by the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement the _____ day of _____, 2024.

LESSEE:

Unity Care Northwest
1616 Cornwall Avenue, Suite 205
Bellingham, WA 98225

Each signatory to this Contract warrants that he/she is the authorized agent of the respective party; and that he/she has the authority to enter into the contract and to bind the party thereto.

Jodi Joyce, CEO Unity Care Northwest

DEPARTMENT APPROVAL

Robert Ney, Facilities Management

Date

Way Station Unity Care Northwest Lease 6-3-2024

Kayla Schott-Bresler, Deputy Executive

Date

Approved as to form:

Christopher Quinn, Prosecuting Attorney Date

Approved:

Accepted for Whatcom County:

By: _____
Satpal Singh Sidhu, Whatcom County Executive

LESSEE:

Unity Care Northwest

GENERAL CONDITIONS

Series 00-09: Provisions Related to Scope and Nature of Lease

0.1 Nature of Lease

The purpose of the lease is to provide a location for clinical and hygiene services for unsheltered individuals within the Way Station project. For purposes of this Lease Agreement, clinical and hygiene services shall mean: primary medical and behavioral health care services, case management, hygiene services and those additional services that may otherwise be authorized in writing by the County. Such clinical and hygiene services shall be made available by Lessee with operating hours serving citizens as needed and as deemed necessary by Unity Care Northwest and Whatcom County. All clinical decision making will be the responsibility of Unity Care Northwest. This Lease Agreement provides Lessee with dedicated space to provide clinical and hygiene services within the Way Station project located at 1500 State Street. Lessee will share common areas with the co-located tenants who will provide accessory uses and services.

0.2 Property Description:

County, in consideration of the covenants and conditions herein set forth to be performed by Lessee, does hereby demise and let unto Lessee, Suite 101 of the Way Station area and associated common areas of the following-described property: Way Station, 1500 State Street Bellingham, WA 98225. For purposes of this Lease Agreement the Property shall be treated in all respects as a Congregate Living Facility under the IBC code of occupancy (Residential Group R-1).

0.3 Condition of Property:

Lessee has inspected the above-described property and accepts the premises in the condition prevailing on the date of the execution of this Lease.

0.4 Use of Premises:

Lessee agrees to only provide clinical and hygiene care services on the Property. Further, Lessee shall comply with all state and local law applicable to occupancy of the Property and the provision of any services provided by Lessee. Failure of Lessee to provide clinical and hygiene services pursuant to this Lease agreement, or Lessee's use of the Property for activities or business other than clinical and hygiene care, without prior written approval from the County, shall constitute cause for default under the terms of this lease.

0.5 Costs of Operations:

All operational costs associated with the Lessee's services provided on and within the Property pursuant to this Lease agreement shall be the sole responsibility of the Lessee. This Lease agreement shall in no manner obligate Whatcom County to provide funding or other resources towards Lessee's provision of clinical and hygiene services under this agreement or any related operational expenses associated with the provision of services and the Property.

0.6 Utilities:

Lessee shall pay for all utilities and services supplied to the Property, including but not limited to electricity, telephone, potable water, suite security, internet, natural gas and custodial cleaning of the suite, together with any applicable sales tax thereon. If any such utilities or services are not separately metered to the Property or separately billed to the Property, Lessee shall pay to County a reasonable proportion to be determined by County of all such charges jointly metered or billed with other premises in the Building. These services may include, but are not limited to, building fire alarm monitoring, building security, grounds maintenance and landscaping, and common area building maintenance.

Series 10-19: Provisions Related to Term and Termination

10.1 Term:

This Lease Agreement shall commence upon issuance of Certificate of Occupancy and terminate on the last day of the month 15 years after the Certificate of Occupancy date, unless sooner terminated according to this Agreement. Under this Lease agreement, Lessee has an option for renewal of the lease annually for an additional four (4) additional years following the initial term, providing that terms under paragraph 0.4 are met.

11.1 Termination for Default:

If the Lessee defaults by failing to perform any of the obligations of this lease or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the County may, by

depositing written notice to the Lessee in the U.S. mail, first class postage prepaid, terminate the lease. Termination shall be effective as provided in section 11.4 below. Any extra cost or damage to the County resulting from such default(s) shall be deducted from any money due or coming due to the Lessee. The Lessee shall bear any extra expenses incurred by the County in terminating the lease, including all costs for any damage sustained, or which may be sustained by the County by reason of such default.

11.4 Termination of Lease:

This lease shall terminate as follows:

- A. At the expiration of the initial term of this lease or any authorized renewal term.
- B. Upon the failure of Lessee to correct violations of any condition of this lease within 90 days of receiving written notice from the County of such violation.
- C. Upon the failure of Lessee to correct violations of any condition of the Memorandum of Understanding outlining basic Service Agreement components of providing clinical care services within 90 days of receiving written notice from the County of such violation.,
- D. The Lease may be cancelled and terminated by either party provided that written notice of such cancellation and termination is provided at least ninety (90) days prior to the effective date of termination.

Series 30-39: Provisions Related to Administration of Lease Agreement

30.2 Sub-lease:

Lessee may sublet a portion of the leased facility to other organizations providing compatible services upon written approval of County.

33.1 Right to Review:

This lease is subject to review by any Federal, State, or County auditor.

34.1 Proof of Insurance:

The Lessee shall carry for the duration of this Lease Agreement, general liability and property damage insurance with the following minimums:

Property Insurance. Lessee shall, at its sole expense, obtain and keep in force, throughout the Term of this Lease, a policy or policies of "all risk", not including "earthquake" or "flood", property insurance, insuring the Improvements against loss or damage by fire or other perils naming the Lessee and such other parties as the County or Lessee may designate as additional loss payees as their interests may appear. The amount of such insurance shall not be less than \$500,000 or the full replacement value of the tenant improvements, whichever is greater.

Commercial General Liability insurance: \$2,000,000 per occurrence and \$5,000,000 in the aggregate for bodily injury, personal and advertising injury and property damage. Coverage shall be at least as broad as that afforded under ISO form number CG 00 01 current edition, or its substantive equivalent. Such insurance shall include coverage for, but not limited to premises liability, products and completed operations, ongoing operations, and contractual liability. 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 County with the use of an umbrella or excess liability policy, which is at least as broad as the underlying policy. If the scope of services involves one on one activities with minors, such policy shall include or not exclude sexual assault and misconduct coverage.

Other insurance provisions: The insurance coverage(s) required in this Lease are to contain, or be endorsed to contain, the following provisions:

All Liability Policies: Whatcom County, its officers, officials, employees and agents are to be covered as additional insureds, for full coverage and policy limits, as respects liability arising out of activities performed by or on behalf of the Lessee in connection with this Lease. Additional Insured Endorsement(s) shall be included with the certificate of insurance, "CG 2010 11/85" or its substantive equivalent is required. The County requires these Endorsement(s) to complete the Lease.

Such coverage shall be primary and non-contributory insurance as respects the County, its officers, officials, employees and agents.

The Lessee's insurance coverage shall apply separately to each insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.

Coverage shall not be suspended, voided, canceled, reduced in coverage or in limits until after thirty (30) days prior written notice has been given to the County.

Each insurance policy may be written on either an "occurrence" basis/form or on a "claims made" basis/form.

If coverage is purchased on a "claims made" basis/form, the Lessee warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than three (3) years from the date of Lease termination and/or conversion from a "claims made" form to an "occurrence" coverage form.

Acceptability of Insurers:

Insurance coverage is to be placed with insurers with an AM Best's rating of no less than A: VIII, or, if not rated with an AM Best's, with minimum surpluses the equivalent of an AM Best's surplus size VIII.

If at any time any of the foregoing policies fail to meet minimum requirements, the Lessee shall, upon notice to that effect from the County, promptly obtain a new policy, and shall submit the same to the County, with the appropriate certificates and endorsements, for approval.

Verification of coverage:

The Lessee shall furnish the County certificates of insurance and endorsements required by this Lease. Such certificates and endorsements, and renewals thereof, shall be attached to the Lease hereto as Exhibit "C". The certificates and endorsements for each insurance policy are to be on forms approved by the County prior to the commencement of the Lease. In the event of a claim, the County reserves the right to require complete, certified copies of all required insurance policies at any time, which may be redacted of confidential and proprietary information.

County's receipt or acceptance of Contractor's evidence of insurance without comment or objection, or County's failure to request certified copies of such insurance does not waive, alter, modify or invalidate any of the insurance requirements set forth above or, consequently, constitute County's acceptance of the adequacy of Contractor's insurance or preclude or prevent any action by County against Lessee for breach of the insurance requirements.

34.2 Indemnification

County shall not be liable and Lessee hereby waives all claims against County for any damage to any property or any injury to any person in or about the Property by or from any cause whatsoever, except to the extent caused by or arising from the gross negligence or willful misconduct of County or its agents, employees or contractors. Lessee shall protect, indemnify and hold the County harmless from and against any and all loss, claims, liability or costs incurred by reason of (a) any damage to any property or any injury to any person occurring in, on or about the Property to the extent that such injury or damage shall be caused by or arise from any actual or alleged act, neglect, fault, or omission by or of Lessee, its agents, servants, employees, invitees, or visitors to meet any standards imposed by any duty with respect to the injury or damage; (b) the conduct or management of any work or thing whatsoever done by the Lessee in or about the Property or from transactions of the Lessee concerning the Property; (c) Lessee failure to comply with any and all governmental laws, ordinances and regulations applicable to the condition or use of the Property or its occupancy; or (d) any breach or default on the part of Lessee in the performance of any covenant or agreement on the part of the Lessee to be performed pursuant to this Agreement. This provision 34.2 of the Agreement shall survive the termination of this Agreement with respect to any claims or liability accruing prior to such termination.

36.2 Conflict of Interest:

If at any time prior to commencement of, or during the term of this Agreement, Contractor or any of its employees involved in the performance of this Agreement shall have or develop an interest in the subject matter of this Agreement that is potentially in conflict with the County's interest, then Contractor shall immediately notify the County of the same. The notification of the County shall be made with sufficient specificity to enable the County to make an informed judgment as to whether or not the County's interest may be compromised in any manner by the existence of the conflict, actual or potential. Thereafter, the County may require the Contractor to take reasonable steps to remove the conflict of interest. The County may also terminate this contract according to the provisions herein for termination.

37.1 Administration of Lease:

This Lease Agreement shall be subject to all laws, rules, and regulations of the United States of America, the State of Washington, and political subdivisions of the State of Washington. The County hereby appoints, and the Lessee hereby accepts, the Whatcom County Executive, and his or her designee, as the County's representative, hereinafter referred to as the Administrative Officer, for the purposes of administering the provisions of this Agreement, including the County's right to receive and act on all reports and documents, and any auditing performed by the County related to this Agreement. The Administrative Officer for purposes of this agreement is:

Unity Care Northwest

1616 Cornwall Avenue, Suite 205
Bellingham, WA 98225

37.2 Laws, Permits, and Regulations:

Lessee agrees to comply with all applicable federal, state, county, or municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals. Lessee agrees to conform to and abide by all lawful rules, codes, laws and regulations in connection with its use of said premises and the construction of improvements and operation of Lessee's business thereon and not to permit said premises to be used in violation of any lawful rule, code, law, regulation or other authority.

Series 40-49: Provisions Related to Interpretation of Agreement and Resolution of Disputes

40.1 Modifications:

Either party may request changes in the Agreement. Any and all agreed modifications, to be valid and binding upon either party, shall be in writing and signed by both of the parties.

40.3 Disposition of Improvements at End of Lease:

Lessee shall have the right to remove all equipment, personal property and improvements which may have been placed upon the premises by Lessee during the period of this lease provided that the same are removed before the lease is terminated and while the lease is in good standing. Any improvements not removed from the premises at the conclusion of the lease shall revert to the County. Leased premises shall be restored by Lessee to conditions prevailing at the time of commencement of the lease, normal wear excepted.

40.4 Utilities:

Electricity and potable water utilities will be billed by Whatcom County directly to the Lessee on regular intervals, based on sub meter readings and actual usage. Proportional share of common area utility usage will also be billed to the Lessee. All private utilities pertaining to phone service, internet service, or communications shall be the sole responsibility of the Lessee. Garbage will be billed to the Lessee on regular intervals based on a pro rata share of the building.

40.5 Janitorial Services:

Suite janitorial services will be provided for by Lessee. Services shall comply with standards established by Whatcom County Facilities Management, consistent with all LEED requirements for the building. A proportional Share of common area janitorial services will also be billed to the tenant on regular intervals. Failure of Lessee to meet these standards will result in County performing services and billing the cost of such service to Lessee.

Lessee shall be responsible for routine daily cleaning and housekeeping within their Suite of the Way Station, and shall be consistent with all LEED requirements of the building and shall comply with Whatcom County Facilities Management standards. Lessee shall be responsible for providing all cleaning supplies, light bulbs, paper products, and any other consumable supplies to be used within their suite.

Inspections of the Center by County will occur as deemed necessary by County. Any deficiencies in housekeeping noted during such inspections or at any other time will be corrected by Lessee in a timely manner. Failure of Lessee to respond in a timely manner will result in County performing services and billing the cost of such service to Lessee. For the purposes of this lease "timely manner" means 5 days or less unless a different duration is mutually agreed to.

Lessee shall be responsible for depositing all trash and garbage in the area marked for such purpose and providing for its removal on a regular basis. Lessee shall be responsible for the proper disposal of any bio-hazardous wastes in the Center.

40.6 Maintenance of Facilities:

A. County shall maintain the Facility core and shell and its systems (HVAC, electrical, fire suppression, elevator, and exterior surveillance) in good repair and tenantable condition during the term of this Lease, except in the case of damage

caused by the Lessee, its clients, agents, or employees. For the purposes of maintaining the Center, the County reserves the right at reasonable times to enter and inspect the Center and to make any necessary repairs to the building. Lessee agrees to reimburse County for damages caused by its employees, contractors, licensees, invitees, clients and agents. This paragraph shall not be construed as making Lessee responsible for the repair of normal wear and tear.

B. County shall perform preventive maintenance on the Facility as it deems necessary during the term of the Lease agreement. Examples of such maintenance include but are not limited to HVAC maintenance, elevator, air filter changes; heating unit checks, electrical and plumbing system checks.

C. Corrective maintenance will be performed by County upon reasonable request by Lessee to restore facility components to operational condition. Lessee shall submit a work order to request corrective maintenance.

D. County shall maintain landscaping and parking lot.

E. Furniture, fixtures and equipment that is not part of the structure of the building is the Lessee's responsibility for upkeep and replacement.

F. As part of the fees paid by Lessee agrees to pay a dollar amount per square foot in an amount to be determined and which amount shall be based upon the percentage of Property space occupied by Lessee for building maintenance fees, which shall include common area maintenance and pro rata share of general maintenance and upkeep of the Way Station. Upon annual audit, and at the County's discretion, this fee may be increased consistent with the County's administrative cost allocation increases. Notice will be provided to Lessee in advance of this cost increase.

G. Lessee shall be responsible for maintaining the internal suite and repair and maintenance of items such as GWB wall repair, cosmetic blemishes, damage caused by occupants, wear and tear of carpet and flooring, carpet cleaning and floor stripping and waxing, painting, light bulb replacement, and typical occupant wear and tear.

H. Repair to items such as door hardware and locks, acoustical ceiling tile damage may be performed by the landlord and billed to the tenant at direct costs.

I. Landlord will be responsible for annual fire confidence testing. These costs will be billed directly to the tenant at actual costs.

J. Tenant shall be solely responsible for all repair and maintenance of Furniture fixtures and Equipment not related to building systems.

K. Snow Removal shall be the responsibility of the County.

40.65 Building Furnished items, Lessee Responsibility:

A. As part of the construction of the Way Station project, managed by Whatcom County Facilities Management, certain items have been provided as part of the "build-out". These items include Video surveillance equipment (including cameras and recording equipment), in suite security improvements which may include hardware, internal intercoms or video doorbell systems, and similar improvements requested by the Lessee. Repair, maintenance and service contracts for continual usage of these items shall be the sole responsibility of the Lessee. The Lessee is responsible to keep these improvements in good repair and tenantable condition during the term of this Lease. As these items are part of the installed equipment list, provided during the construction of the Way Station, these systems and improvements are the property of the County upon termination of the lease.

40.7 Access:

County reserves the right of access to the premises for the purpose of securing compliance with the terms of this lease.

40.8 Commit No Waste:

Lessee agrees not to allow conditions of waste and refuse to exist on the above-described premises and to keep the premises in a neat, clean and orderly condition and to be responsible for all damages caused to the leased premises by Lessee, its agents or any third party on the premises at the instance of Lessee.

40.9 Alterations:

No alterations may be made to the Suite 101 without written County authorization. County will perform or contract for any alterations. All improvements shall be made at the sole cost and expense of the Lessee.

40.10 Signs:

Lessee agrees that all signs will be designed and placed in accordance with County policy and any applicable zoning requirements of the City.

40.11 Hazardous Substances:

Lessee shall not keep on or about the premises, for use, disposal, treatment, generation, storage or sale any substances which are hazardous, toxic, harmful, or dangerous, and/or which are subject to regulation as hazardous or toxic, dangerous, or as a pollutant by any federal, state, or local law, regulation, statute, or ordinance (collectively referred to herein as "hazardous substances"). Lessee shall be fully liable to County and shall indemnify, defend and save harmless the County and its officials and employees, with respect to any and all damages, costs, fees (including attorneys' fees and costs), civil and criminal penalties, or clean-up costs assessed against or imposed as a result of Lessee's use, disposal, generation, storage, or sale of hazardous substances or that of Lessee's employees, agents or invitees. Breach of this provision shall entitle County to terminate this Lease. This provision shall not apply to properly stored cleaning or office supplies.

41.1 Severability:

If any term or condition of this lease or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this lease are declared severable.

41.2 Waiver:

Waiver of any breach or condition of this lease shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this lease shall be held to be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto. The failure of the County to insist upon strict performance of any of the covenants and agreements of this Agreement, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such, or any other covenants or agreements, but the same shall be and remain in full force and effect.

42.1 Disputes:

a. General:

Differences between the Lessee and the County, arising under and by virtue of the Contract Documents, shall be brought to the attention of the County at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. Except for such objections as are made of record in the manner hereinafter specified and within the time limits stated, the records, orders, rulings, instructions, and decisions of the Administrative Officer shall be final and conclusive.

43.1 Venue and Choice of Law:

In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Agreement, the venue of such action of litigation shall be in the courts of the State of Washington in and for the County of Whatcom. This Agreement shall be governed by the laws of the State of Washington.

44.1 Survival:

The provisions of paragraphs 11.1, 11.2, 11.3 if utilized, 21.1, 22.1, 30.1, 31.1, 31.2, 32.1, 33.1, 34.2, 34.3, 36.1, 40.2, 41.2, 42.1, and 43.1, shall survive, notwithstanding the termination or invalidity of this Agreement for any reason.

45.1 Entire Agreement:

This written Agreement, comprised of the writings signed or otherwise identified and attached hereto, represents the entire Agreement between the parties and supersedes any prior oral statements, discussions or understandings between the parties.

EXHIBIT "A"
(INSURANCE)