RESOLUTION NO. 2440

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, AUTHORIZING THE MAYOR TO SIGN A LEASE TERMINATION FOR THE FORMER CITY HALL ANNEX BUILDING.

The City Council of the City of Bonney Lake, Washington, does hereby resolve that the Mayor is authorized to sign the Lease Termination between the City of Bonney Lake and Landover Corporation, DBA Coldwell Banker Bain, attached hereto and incorporated herein by this reference.

PASSED by the City Council this 24th day of February, 2015.

Neil Johnson, Jr., Mayor

AUTHENTICATED:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney
TERMINATION OF LEASE AGREEMENT

WHEREAS, on August 27, 2013, the Parties, Landover Corporation DBA Coldwell Banker Bain ("Lessee") and the City of Bonney Lake ("Lessor") entered into a Lease Agreement for the City-owned property located at 8720 Main Street E, Bonney Lake, Washington, which was approved by the Bonney Lake City Council through Resolution 2323; and

WHEREAS, the Lease Agreement obligated and entitled Lessee to lease the premises in exchange for rent for a term of five years, terminating at midnight on October 31, 2018; and

WHEREAS, the Lessee desires to terminate the Lease Agreement effective March 15, 2015.

NOW, THEREFORE, the Parties hereby agree as follows:

The Lessor releases the Lessee from its obligations under the Lease Agreement effective March 15, 2015, except as follows:

1. Lessee shall pay to Lessor no later than March 15, 2015, a one-time Lease Agreement cancellation fee in the amount of twenty-five thousand dollars ($25,000.00). This amount shall be in lieu of rent for March 2015.

2. Lessee shall remove all personal property from the premises no later than March 15, 2015. Paragraph 20 of the Lease Agreement shall apply to any personal property not removed.

3. Lessee shall remove all alterations and improvements to the premises, as defined under Paragraph 9.3 of the Lease Agreement, except alterations and improvements the Parties have agreed shall belong to the Lessor at the termination of the Lease Agreement. The Parties agree that the Lessor shall retain the air conditioning system the Lessee installed in the premises.

4. Lessee shall restore the premises to its original condition in accordance with paragraph 9.3 of the Lease Agreement, normal wear and tear excepted.

5. The defense, indemnification, and hold harmless provisions of paragraph 9.4 shall survive termination of the Lease Agreement.
IN WITNESS WHEREOF, the parties subscribe their names.

Landover Corporation, DBA Coldwell Banker Bain

By: [Signature]

Title: CEO

Date: 3/3/15

CITY OF BONNEY LAKE

By: [Signature]

Title: Mayor

Date: [Signature]

STATE OF WASHINGTON

) ss.

County of Pierce)

On this 3 day of March, 2015 before me personally appeared William Riss and said person(s) on oath stated that he/she was authorized to execute the instrument and acknowledged it as the CEO of Landover Corporation DBA Coldwell Banker Bain to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

[Signature]

Notary Public in and for the State of Washington,

Residing at Lynnwood

My commission expires 4/1/15
City of Bonney Lake, Washington
City Council Agenda Bill (AB)

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<th>Department/Staff Contact:</th>
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<td>Executive / Don Morrison</td>
<td>24 February 2015</td>
<td>AB15-30</td>
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Agenda Item Type: Resolution
Ordinance/Resolution Number: 2440
Councilmember Sponsor:

**Agenda Subject:** Lease Termination Buyout Agreement for the former City Hall Annex building.

**Full Title/Motion:** A Resolution Of The City Council Authorizing The Mayor To Sign A Lease Termination Agreement For The Former City Hall Annex.

**Administrative Recommendation:** Approve

**Background Summary:** Coldwell Banker Bain (CBB) leases the former City Hall Annex building. The firm intends to close their regional Bonney Lake IT operation, and have asked to terminate the lease. After negotiations, the parties have agreed to a lease buyout amount of $25,000 plus the City will keep the AC unit CBB installed in the building. It is anticipated that the City will be able to release the building relatively soon, and likely at a higher rate.

**Attachments:** Resolution; Termination Buyout Agreement

**BUDGET INFORMATION**

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<th>Required Expenditure</th>
<th>Budget Balance</th>
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**Budget Explanation:** Buyout is $25,000 plus the City keeps the newly installed AC unit.

**COMMITTEE, BOARD & COMMISSION REVIEW**

**Council Committee Review:** Finance Committee
**Date:** Feb. 10, 2015
**Approvals:**
- Chair/Councilmember
- Councilmember
- Councilmember

**Forward to:** Consent Agenda: □ Yes □ No

**Commission/Board Review:**

**Hearing Examiner Review:**

**COUNCIL ACTION**

**Workshop Date(s):**
**Meeting Date(s):**

**Public Hearing Date(s):**
**Tabled to Date:**

**APPROVALS**

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<tr>
<th>Director:</th>
<th>Mayor:</th>
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