

**LEASE AGREEMENT BETWEEN THE WOODLAND SCHOOL DISTRICT AND  
THE YALE VALLEY LIBRARY DISTRICT**

THIS LEASE AGREEMENT ("Lease" or "Agreement") is made and entered as of this \_\_\_\_ day of \_\_\_\_\_, 2015, by and between the Woodland School District No. 404 ("School District") and the Yale Valley Library District, a Washington public agency ("Library District").

WHEREAS, the School District owns that certain parcel of land ("Premises") located in Ariel, Cowlitz County, Washington, described in Exhibit A to this Lease; and

WHEREAS, the Library District wishes to construct a new library facility to improve its service to the local community, which includes the School District; and

WHEREAS, the Library District has requested that the School District lease the Premises to the Library District for the purpose of siting and operating this new library facility; and

WHEREAS, the School District has declared the Premises as surplus property that is not needed for school purposes; and

WHEREAS, the Library District will invest considerable effort and money in the construction, improvement and maintenance of the library facility; and

WHEREAS, the Library District's construction and operation of the new library facility will substantially benefit the School District and its students, staff, and community members by: allowing increased access to books, other printed materials, and online resources; providing students with access to library resources at times when the School District's libraries are closed; and providing the opportunity for students to participate in after school and summer educational programs, among other benefits;

NOW, THEREFORE, in consideration of the foregoing recitals, and the following terms, covenants, and conditions set out herein, the School District and the Library District hereby agree as follows:

1. **LEASED PREMISES.** The School District hereby leases to the Library District and the Library District hereby leases from the School District that certain real property and easements and appurtenances thereto in Cowlitz County, State of Washington, which is legally described in Exhibit "A," attached hereto and incorporated herein ("Premises").
2. **USE OF PREMISES.** The Premises shall be used and occupied only for the lawful purposes of the Library District. The Library District shall not bring, cause to be brought, or permit to be brought or kept on the Premises anything which will in any way conflict with any local, state, or federal law, ordinance, rule or regulation, or commit or suffer to be committed any waste, or allow the Premises to be used for any unlawful purpose.
3. **TERM OF LEASE.** Unless earlier terminated in accordance with the provisions of this Lease, the term of this Lease shall be for a period of 50 years and shall commence on \_\_\_\_\_. The Library District shall be entitled to possession of the Premises on the date of the parties' mutual execution of this Lease.
4. **RENT AND OTHER CONSIDERATION.** The Library District shall be entitled to possess the Premises rent free in consideration for the benefits that the Library District will be providing to the School District, the School District's students, and the members of the local community, by

constructing and operating a new library facility, as set forth herein. This Lease is conditioned upon the Library District's promptly providing for the construction of a library facility on the Premises as set forth in Section 6, and thereafter, upon the Library District's continuous operation of a public library on the Premises during the term of this Lease. Should the Library District cease to operate a public library on the Premises for a period of more than 180 days, except for reasons related to natural disasters, fire or other circumstances beyond the Library District's control, the School District may terminate this Lease upon 30 days written notice.

5. **SURPLUS PROPERTY; RECAPTURE.** Pursuant to RCW 28A.335.040, the School District has determined that the Premises subject to this Lease are presently surplus and that it has the authority to lease said property to any person, corporation, or government entity, profit or nonprofit, for commercial or noncommercial purposes. The School District has determined that said use by the Library District shall be for a lawful purpose and will not interfere with the conduct of the School District's educational program and related activities; provided, however that the School District shall be permitted to terminate this Lease and recapture the leased surplus property at such time as the Premises shall be needed for school purposes. In the event the Premises are needed for school purposes, the School District shall give the Library District two (2) years written notice of its intent to terminate this Lease and recapture the property. In the event of such recapture, and, pursuant to RCW 28A.335.050, the School District shall reimburse the Library District for their verified expended costs of construction, including costs for the parking lot, septic system, water system, and facility/building improvements. The School District will pay the Library District the initial construction cost as calculated using a straight-line amortization schedule based on the number of years from the lease commencement date to the termination date, rounded up to a full year. In addition, the School District shall reimburse the Library District for any additional improvements to the Premises during the term of the lease that exceed \$10,000 as approved by the School District in Section 6.1 of this agreement as amortized over 50 years from the date said improvements were completed. Any such payment by the School District to the Library District will be made on the termination date. The Library District shall be entitled to remove all items not physically attached to the building or associated property, including, but not limited to, furniture, equipment, and shelving. The Library may also remove art work specifically commissioned or donated to the Library, even if affixed to the premises. Within 90 days of issuance of a final certificate of occupancy on the library facility, and within 30 days of the completion of any subsequent building improvements in excess of \$10,000, the School District and the Library District shall agree to the cost of improvements subject to reimbursement under this Section 5.

6. **IMPROVEMENT OF PREMISES.**

- 6.1 **Library District Improvements.** The Library District shall not make any improvements to the Premises which in each instance cost more than \$10,000.00 without first obtaining the School District's written consent, which consent shall not be unreasonably withheld. Any request for improvements shall be made in writing and sent via certified mail, return receipt requested, to the School District Superintendent and the School District Business Manager. In the event consent is not received within 30 days after the first submission, the Library District shall hand deliver a second request to the School District Superintendent. If consent is not received within 30 days after the second submission, the improvement shall be deemed approved by the School District.

In no instance, however, shall the Library District make any alteration that diminishes the value of the Premises. The Library District shall bear all responsibility, risk, and expense on any such improvements, including the construction of any buildings on the Premises, and shall defend, indemnify, and hold the School District harmless from all claims arising out of the same. School District consent shall not be needed for progress payments made by the Library District if the School District has provided its consent for the initial construction plans and project budget.

- 6.2 Approval of Construction Plans; Construction Permits. The Library District will submit all of its final construction plans and a proposed construction budget for any improvements over \$10,000 to the School District/School District's designated agent for review. The Library District will also submit all construction plans to the agency with jurisdiction for issuance of necessary building permits, if applicable. The Library District shall be responsible for the cost of any permits needed to improve, repair, alter, or renovate the Premises and shall not proceed with any such construction until any permits required by law are issued.
- 6.3 Compliance with Applicable Laws and Regulations. When making any improvements on the Premises, the Library District shall comply with all applicable local, county, state, and federal laws and regulations. This includes, but is not limited to, all applicable Washington State laws related to public contracts (Title 39 RCW).
- 6.4 Completion of Construction. Once construction has begun, the Library District shall, with reasonable diligence, prosecute to substantial completion all construction of any improvements made on the Premises.
- 6.5 Ownership of Improvements. The Library District shall retain ownership of any improvements to the Premises made during the term of this Lease.
- 6.6 Retention of Improvements. Without exception, all renovations, improvements, alterations, and additions on or to the Premises at the commencement of the Lease term and that may be erected or installed during the term, shall become the property of the School District upon the expiration or earlier termination of this Lease, regardless of whether the cost for the same was paid by the School District or the Library District, subject to the reimbursement provision in Section 5 of this Agreement
- 6.7 Demolition of Improvements. If the Cowlitz County Building and Planning Department provides the Library District with notice that the Premises is uninhabitable or otherwise damaged beyond repair the Library District will make the Premises habitable or demolish any improvements it constructed on the Premises, at its sole expense, within one year of receiving such notice. The Library District shall be solely responsible for managing the rehabilitation or demolition project. If demolition is required, the Library District shall dismantle all improvements, cap the septic system, abate any hazardous materials on the Premises in accordance with applicable regulations, remove all debris from the Premises, and restore the Premises to an even grade. Any Library District expense related to this Section 6.7 will not be subject to the reimbursement provisions of Section 5 of this Agreement.

## 7. INDEMNIFICATION AND INSURANCE.

- 7.1 Library District Indemnification Obligations. The Library District agrees to indemnify, defend,

- protect, save, and hold harmless the School District from and against all claims arising from any act, omission, or negligence of the Library District, or its contractors, licensees, invitees, agents, servants, or employees, or arising from any accident, injury or damage whatsoever caused to any person occurring at any time in, upon, or about the Premises, including the construction of any improvements on the Premises, and from and against all costs, expenses, and liabilities arising directly or indirectly out of or in connection with any such claim or proceeding. This provision shall survive the expiration or termination of this Lease.
- 7.2 School District Indemnification Obligations. The School District agrees to indemnify, defend, protect and save Library District harmless from and against all claims arising from any act, omission, or negligence of the School District, or its contractors, licensees, invitees, agents, servants, or employees, or arising from any accident, injury or damage whatsoever caused to any person occurring at any time in, upon, or about the Premises, and from and against all costs, expenses, and liabilities arising directly or indirectly out of or in connection with any such claim or proceeding. This provision shall survive the expiration or termination of this Lease.
- 7.3 Workers Compensation. The indemnification obligations contained in this Section 7 shall not be limited by any worker's compensation, benefit, or disability laws, and each indemnifying party hereby waives any immunity that said party may have under the Washington Industrial Insurance Act, Title 51 RCW, and similar worker's compensation, benefit, or disability laws. The School District and the Library District acknowledge by their execution of this Lease that each indemnification provision of this Lease (including, but not limited to, those relating to worker's compensation benefits and laws) was specifically negotiated and agreed to by the School District and the Library District.
- 7.4 Liability Coverage. The Library District agrees, at its own expense, to maintain in full force during the lease term a policy of general public liability insurance (sometimes known as broad form comprehensive general liability insurance) insuring the Library District against liability for bodily injury, property damage, and personal injury arising out of the operation, use, or occupancy of the Premises with a combined single occurrence limit of not less than \$1,000,000, and such other liability coverage which is customary for the Library District.
- 7.5 Property Coverage. The Library District shall obtain and keep in force during the term hereof, a policy of insurance against loss of or damage to the Premises and all improvements made to the Premises, including all buildings constructed on the Premises, in the full amount of its replacement value.
- 7.6 Policy Form/Content/Insurer. All insurance required by the provisions of this Lease shall be carried only by responsible insurance companies enabled to do business in the State of Washington which are reasonably acceptable to the School District. The Library District shall furnish the School District with copies of any policies it obtains promptly on receipt of the copies, or with certificates evidencing the insurance. The School District shall be named as an additional insured on any insurance policy required under this Lease.
8. MAINTENANCE OBLIGATIONS. The Library District agrees to keep and maintain the Premises and every part thereof, without exception, in good order, condition, and repair.
9. TAXES AND ASSESSMENTS. The Library District shall pay all taxes and assessments, if any, upon the Premises and any improvements thereon that are assessed during the term of this Lease.

10. UTILITIES. The Library District shall pay, throughout the term of this lease, all charges for any utility services furnished to the leased premises, including, but not limited to, light, heat, electricity, gas, water, sewage, and garbage disposal.
11. LIENS. The Library District covenants and agrees to keep all the Premises and every part thereof free and clear of and from any and all mechanic's, materialmen's, and any other liens for work or labor done, services performed, or materials used or furnished to be used in or about the Premises for or in connection with any operations of the Library District, or any alteration, improvement, repairs, or additions which the Library District may make or permit or cause to be made, or any work or construction, by or permitted by the Library District on or about the Premises, and at all times promptly and fully pay and discharge any and all claims upon which any such lien may or could be based, and to save and hold the School District and all of the Premises free and harmless of and from any and all such liens and claims of liens or suits or other proceedings pertaining thereto.
- 11.1 Contested Lien. Notwithstanding the foregoing, the filing of a lien or encumbrance against the Premises shall not constitute a default if and so long as: (a) no defaults exist otherwise under this Lease; (b) the Library District immediately commences its contest of such lien and continuously pursues the same in good faith and with due diligence; (c) the Library District provides a bond to stay execution of enforcement proceedings in the event of an appeal; and (d) the Library District pays any final judgment rendered for the lien claimant within ten (10) days after the judgment is rendered for the lien claimant.
12. LIBRARY DISTRICT TO VACATE. On the last day or earlier termination of the Lease term, the Library District shall quit and surrender the Premises in good condition and repair (reasonable wear and tear and damage by acts of God excepted), together with all alterations, additions, and improvements which may have been made in, to, or on the Premises.
13. DEFAULT AND REMEDIES. In the event of a breach of the Agreement by either party, the non-breaching party shall be entitled to any and all remedies allowed by law.
14. NOTICES. All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments, or designations hereunder by either party to the other shall be in writing and shall be effective when actually delivered or on the second day after the notice of document is deposited in the mail, if sent by certified or registered mail, return receipt requested, postage prepaid, and addressed as follows:

Lessor: Woodland School District  
Attn: Superintendent Michael Green  
800 Third Street  
Woodland, Washington 98674

Lessee: Yale Valley Library District  
Attn: \_\_\_\_\_  
1007 East Mill Plain Boulevard  
Vancouver, Washington 98663

15. WAIVER. One or more waivers of any covenant or condition by either party shall not be construed as a waiver of a subsequent breach of the same or any other covenant or condition, and the consent or

approval by a party to or of any act by the other requiring consent or approval shall not be deemed to waive or render unnecessary consent or approval to or of any subsequent similar act.

16. QUIET ENJOYMENT. School District covenants and agrees with the Library District that subject to the terms and provisions of this Lease, on the Library District observing, keeping, and performing all of the terms and provisions of this Lease on its part to be observed, kept, and performed, the Library District shall lawfully, peaceably, and quietly have, hold, occupy, and enjoy the Premises during the demised term without hindrance or ejection by the School District or persons lawfully claiming under the School District.
17. ASSIGNMENT OR SUBLEASE. The Library District may not assign, transfer, or sublease any of the rights granted to it by this Lease without the School District's prior written consent, which may be withheld at the School District's sole and absolute discretion unless such assignment, transfer or sublease is to another Library District authorized by Washington State law, in which case consent shall not be unreasonably withheld.
18. SUCCESSORS. The terms and provisions hereof shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and, to the extent permitted, the assigns of the School District and the Library District.
19. APPLICABLE LAW; VENUE. This Lease shall be governed by the laws of the State of Washington. Venue for any action seeking enforcement of this Lease shall be in Cowlitz County Superior Court.
20. ATTORNEY FEES. In the event arbitration or litigation is instituted to enforce this Lease, the prevailing party shall be entitled to an award of reasonable attorney's fees and costs.
21. AUTHORIZATION. The undersigned warrant and represent that they are authorized on behalf of each entity to execute this Lease on behalf of each entity. The School District and the Library District warrant that they have approved this Lease by duly adopted motion or resolution approved by their legislative bodies in an open public meeting.
22. CONSENTS/APPROVALS. Any consent or approval required or permitted under any provision of this Lease shall not be unreasonably withheld, delayed, or conditioned unless otherwise specifically provided.

IN WITNESS WHEREOF, the parties have executed this Lease on the day and year first above written.

LESSOR  
WOODLAND SCHOOL DISTRICT NO. 404

LESSEE  
YALE VALLEY LIBRARY DISTRICT

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

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

Michael Green, Superintendent

\_\_\_\_\_

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

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

State of Washington     )  
  ) ss.  
County of \_\_\_\_\_)

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

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for the state of Washington, residing at \_\_\_\_\_.

My appointment expires \_\_\_\_\_.

State of Washington     )  
  ) ss.  
County of \_\_\_\_\_)

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

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for the state of Washington, residing at \_\_\_\_\_.  
My appointment expires \_\_\_\_\_.





Exhibit "A"  
Library Lease Boundary

Being a tract of land located in a portion of that property described in Book 675 Page 503 of the Cowlitz County Deed Records in the Northwest One-Quarter of Section 24, Township 6 North, Range 3 East, Willamette Meridian, Cowlitz County, Washington, more particularly described as follows:

**Commencing** from a 5/8" iron rod with yellow plastic cap marked "PLS 30446" in the north line of said Section 24 that bears North 88°17'06" West 612.00 feet from the northeast corner of the Northwest One-Quarter of Section 24;

Thence South 00°00'00" East, along the west line of a 12 foot wide exception as described in said Book 675 Page 503, 85.00 feet to the **True Point of Beginning** of the herein described lease boundary;

Thence North 88°17'06" West, 153.00 feet to an angle point;

Thence South 00°00'00" East, 70.00 feet to an angle point;

Thence North 88°17'06" West, 135.00 feet to an angle point;

Thence South 00°00'00" East, 22.00 feet to an angle point;

Thence North 88°17'06" West, 78.72 feet to an angle point;

Thence South 00°00'00" East, 103.17 feet to a 5/8" iron rod with yellow plastic cap marked "PLS 30446" in the north right-of-way line Lewis River Road (State Highway No. 503) and the beginning of a non-tangent 22,968.31 foot radius curve to the right;

Thence along said non-tangent curve to the right through a central angle of 00°54'52" (the chord of which bears North 89°36'56" East 366.57 feet) 366.57 feet to a 5/8" iron rod with yellow plastic cap marked "PLS 30446" in the west line of said 12 foot wide exception described in Book 675 Page 503;

Thence North 00°00'00" West, 181.74 feet to the **True Point Of Beginning**.

Containing 1.199 acres, more or less.

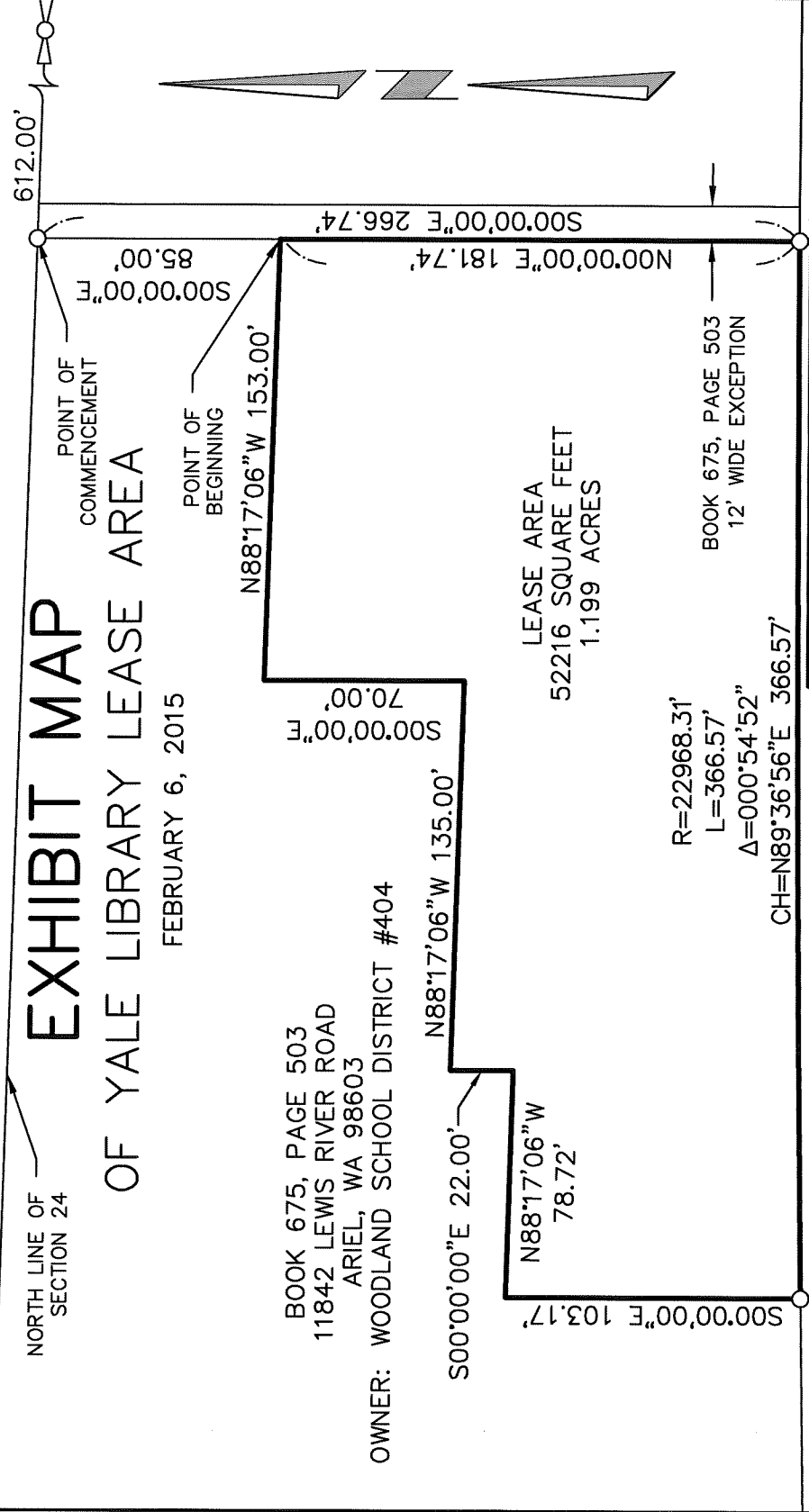



NORTH LINE OF  
SECTION 24

# EXHIBIT MAP OF YALE LIBRARY LEASE AREA

FEBRUARY 6, 2015

BOOK 675, PAGE 503  
11842 LEWIS RIVER ROAD  
ARIEL, WA 98603  
OWNER: WOODLAND SCHOOL DISTRICT #404





**HDDJ**  
DESIGN GROUP  
engineers landscape architects planners surveyors

314 W 15th Street  
Vancouver, WA 98660-2927  
360.695.3488  
360.695.8767 fax

www.hddjg.com

LEWIS RIVER ROAD (SR503)

LEGEND:  
○ - DENOTES 5/8" IRON ROD WITH YELLOW PLASTIC  
CAP INSCRIBED "PLS 30446".

DRAWN BY: RFS	SCALE: 1"=60'	DATE: 2/6/15
CHECKED BY: TLG	JOB NO.: 3366-06	SHEET 1 OF 1