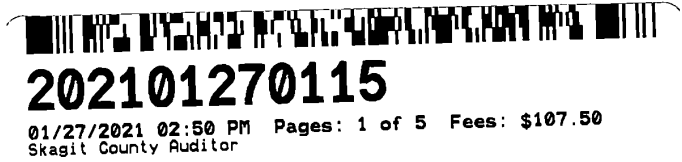


City of Mount Vernon
Public Works Department
1024 Cleveland Avenue
Mount Vernon, WA 98273



DOCUMENT TITLE: Second Amendment to Lease Agreement

REFERENCE NUMBER: 200511040141 and 200703130059

GRANTOR(S): Commercial Cold Storage, Inc.

GRANTEE(S): City of Mount Vernon

ABBREVIATED LEGAL DESCRIPTION:

A portion of the SE ¼ of the SE ¼ of Section 19, Township 34N, Range 4E of the
Willamette Meridian

ASSESSOR PARCEL / TAX ID NUMBER:

P26489

REVIEWED BY	
SKAGIT COUNTY TREASURER	
DEPUTY	<u>HB</u>
DATE	<u>1-27-2021</u>

Second Amendment to Lease Agreement

THIS SECOND AMENDMENT TO LEASE AGREEMENT ("Second Amendment"), is entered into this 14th day of January 2021, by and between the CITY OF MOUNT VERNON, Washington, a municipal corporation (hereinafter referred to as "Tenant") and Commercial Cold Storage, Inc. a Washington corporation, with its principal offices located at 1011 South 1st Street, Mount Vernon, Washington (hereinafter "Landlord"). Landlord and Tenant are sometimes hereinafter collectively referred to as the "Parties," and individually as a "Party."

WITNESSETH:

WHEREAS, the Parties entered into that certain Lease Agreement dated October 25, 2005 ("Lease") recorded under Skagit Auditor Number 200511040141 pursuant to which Landlord leased to Tenant the northerly 187 feet of a parcel of land fully described in Exhibit A to the Lease for public parking; and

WHEREAS, the Parties entered into that certain First Amendment to the Lease ("First Amendment") recorded under Skagit Auditor Number 200703130059 making certain modifications to the Lease set forth therein; and

WHEREAS, although the Initial Term of the Lease has expired, the Parties desire to reinstate it, and to further amend the Lease, as set out in this Second Amendment, extending the term of the Lease, modifying the Parties' rights to terminate, and setting forth new rental amount; and

WHEREAS, the Parties stipulate that neither is aware of any outstanding events of default under the Lease, or events that, with the passage of time, or the giving of notice, or both, would mature into an event of default;

NOW, THEREFORE, in consideration of the mutual covenants set out herein, the receipt and sufficiency of which are acknowledged by both Parties, the Parties hereby reinstate and further amend said Lease, as follows:

1. Section 1.5 of the Lease is hereby amended to read as follows:

Options: 1 option period: 3-year term

2. Section 1.6 of the Lease is hereby amended to read as follows:

Consideration: As consideration for the Initial Term of this Lease, TENANT has designed, constructed, and maintained an asphalt paved parking lot ("the Work") on LANDLORD's property, all as described herein. The parties heretofore agreed that the reasonable value of such consideration was \$40,000.00 or \$2,666.67 per year, during the 15 year term of this Lease. That amount has now been fully paid by TENANT in

lieu of payment for the Work. LANDLORD agrees to continue to lease to the TENANT the exclusive possession, and use of, the northerly half of the parking lot, which is sufficient to provide approximately 26 parking spaces, as described in Exhibit D to the Lease, and incorporated by this reference herein. Effective October 29, 2020, Tenant shall owe Landlord monthly rents of Three Hundred Thirty Three Dollars (\$333.00) at the beginning of the Option Term (i.e. October 29, 2020) and at the beginning of every month thereafter during the three year Option Term, which commenced October 29, 2020, and ends October 29, 2023. Rental payments shall increase at the rate of three percent (3%) annually for the life of the Option Term starting on each anniversary of the commencement of the Option Term. Any payments that may be owed by Tenant to Landlord prior to the execution of this Second Amendment shall not be considered late so long as such payments are made within fourteen (14) business days of the full execution of this Second Amendment.

3. Section 3.2 of the Lease is hereby amended to read as follows:

Option Terms. The Parties have agreed to extend the Initial Term an additional three years as set forth in Section 1.5 ("Option Term"). During the Option Term either Party may, with or without cause terminate this Lease at any time upon thirty (30) days written notice to the other Party. Refunds (if any) owed to Tenant shall be prorated and due within thirty (30) days from the date of termination.

4. Section 3.4 titled Rent Arbitration of the Lease is hereby stricken.

5. All other terms and conditions of the original Lease and First Amendment remain the same.


6. This Second Amendment, combined with original Lease and the First Amendment constitute the complete agreement between the Parties with respect to the subject matter hereof. Any further amendments must be in writing, and executed by both Parties.

7. Each Party represents and warrants to the other that the execution, delivery and performance of this Second Amendment have been duly authorized by all required government, or corporate action, and that the person signing on behalf of such Party has full authority to do so.

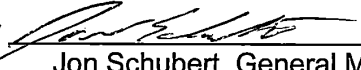
8. This Second Amendment may be executed in two or more counterparts, all of which when taken together, shall constitute one and the same Second Amendment.

**IN WITNESS WHEREOF the Parties hereto have executed this Second Amendment as of the day and year first written above.

TENANT

By 
Jill Boudreau
Mayor


LANDLORD

By 
Jon Schubert, General Manager

Attest:


Finance Director

Approved as to form:


City Attorney

Given under my hand and official seal the day and year last above written.

Hilary Bonnette
NOTARY PUBLIC in and for the State of
Washington, residing at Sedro Woolley
My Commission Expires: 02-28-2022
Printed name: Hilary Bonnette