

SNOHOMISH COUNTY COUNCIL
Snohomish County, Washington

MOTION NO. 23-495

AUTHORIZING THE EXECUTIVE OR AIRPORT DIRECTOR TO EXECUTE LEASE
AMENDMENT NO. 3 FOR FUTURE OF FLIGHT AVIATION CENTER WITH THE BOEING
COMPANY AT THE SNOHOMISH COUNTY AIRPORT

WHEREAS, the Snohomish County Executive is authorized to enter, sign and amend leases pursuant to SCC 15.04.040(3), which provide, among other items, the County Executive may recommend individual licenses or leases for approval by the County Council; and

WHEREAS, the County owns the Future of Flight Aviation Center & Boeing Tour which attracts 320,000 visitors (pre-covid) to Snohomish County annually; and

WHEREAS, the Boeing Company ("Boeing") has leased the Future of Flight Aviation Center ("FoF") since October 17, 2018; and

WHEREAS, Lease Amendment No. 1 signed on December 14, 2020, which extended the Capital Improvement Reimbursements ("CIR") to the end of the initial five (5) year term with no increase in dollar amount; and

WHEREAS, Lease Amendment No. 2 signed September 29, 2022, which added an additional five (5) year extension to their initial term which makes it a ten (10) year initial term and the option to extend an additional two (2) times for five (5) years each; and

WHEREAS, The Boeing Company has requested additional time to complete projects in progress that could not be completed prior to the expiration of the current CIR on October 17, 2023; and

WHEREAS, Lease Amendment No. 3 shall extend the CIR to the end of their initial ten (10) year term to provide sufficient time; and

WHEREAS, FoF is a Public Facility District (PFD) and is one of the largest tourist attractions in Snohomish County; and

WHEREAS, County staff recommends County Council approve the recommended CIR extension which shall continue to serve the residents and visitors of Snohomish County;

NOW, THEREFORE, ON MOTION, the Snohomish County Council authorizes the Snohomish County Executive or Airport Director to execute Lease Amendment No. 3 with Boeing for the FoF Aviation Center in the form attached hereto.


PASSED this 13th day of December, 2023.

SNOHOMISH COUNTY COUNCIL
Snohomish County, Washington



Council Chair

ATTEST:



Deputy Clerk of the Council

Return Address:

Snohomish County Property Management
3000 Rockefeller, M/S 404
Everett, WA 98201

ORIGINAL

Document Title(s) or transactions contained therein):

**Amendment No. 3 to Land and Building Lease (Existing Building) 18-008
Future of Flight**

Lessor(s) (Last name first, then first name and initials)

Snohomish County

Additional names on page _____ of document.

Lessee(s) (Last name first, then first name and initials)

The Boeing Company

Additional names on page _____ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range, qtr./qtr.)

Lots 1, 3 and Portion of Lot 4 in Sector 9 Binding Site Plan for Paine Field

Additional legal is on Exhibit A of document

Reference Number(s) of Documents assigned or released:

201810290583

Additional numbers on page _____ of document.

Assessor's Property Tax Parcel/Account Number

0061160009505, 28041500202600, 28041500202900

Property Tax Parcel ID is not yet assigned

Additional parcel numbers on page _____ of document

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information.

**Amendment No. 3 to Land and Building
Lease (Existing Building) 18-008 Future of Flight**

Lessee: The Boeing Company
Lease No. : 18-008
Effective Date: October 17, 2023

This Amendment No. 3 to the Land and Building Lease (existing building) 18-008 Future of Flight (the "Amendment") is made by and between Snohomish County, a political subdivision of the state of Washington (the "County") as Lessor, and The Boeing Company a corporation authorized to do business in the State of Washington ("Lessee"), as Lessee, and amends that certain Land and Building Lease (existing building) 18-008 Future of Flight (the "Agreement") between the same parties (jointly, the "Parties") and recorded on October 29, 2018 under Snohomish County Auditor's File No. 201810290583, in which Lessee leased Lots 1, 3, and a 62,705 sf portion of Lot 4 in Paine Field Binding Site Plan Sector 9,

As amended by Amendment No. 1 recorded on March 29, 2021 under Snohomish County Auditor's File No. 202103290103, in which the Lease under section 4.01 Condition of Premises was changed,

As Amended by Amendment No. 2 recorded October 20, 2022 under Snohomish County Auditor's File No. 202210200273, in which the term of the lease was extended to 10 years with two additional extension options of five years (collectively "the Lease").

In consideration of the mutual promises of the Parties set forth in this Amendment No. 3, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

IT IS HEREBY AGREED AS FOLLOWS:

1. **4.01 Condition of Premises.** ~~4.01 Condition of Premises~~ is deleted in its entirety and replaced with:

Lessee has examined the premises, including any structure, grounds, and access thereto, and accepts the same in the condition in which they exist as of the Effective Date of the Lease. It is agreed that the County shall not be bound by any warranty, representation, or condition regarding the premises except as stated herein. Notwithstanding the foregoing, County and Lessee acknowledge and agree that certain improvements to the premises are required in order for Lessee to use the premises as County and Lessee intend. County will allow such Tenant Improvements, PROVIDED THAT the aggregate amount payable by County for all Tenant Improvements shall not exceed One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00) (the "Total Improvement Allowance"), which amount is equal to \$22.32 multiplied by 67,194, which is the number of rentable square feet in the Future of Flight facility. Tenant improvements will be reimbursed as Capital Improvement Reimbursements ("CIR") up to \$1,500,000 by October 16, 2028 at which point they will expire and be forfeited. Lessee shall submit requests for all tenant improvements as

provided in Section 1.04 Tenant Improvement Forms (“TIF”) in advance of any improvements and will comply with the terms specified therein. A sample TIF is attached as **Exhibit C** and available online or from the County upon request.

In addition, Lessee has advised County of certain existing conditions in the leased premises and/or certain items that should be noted in connection with the leased premises. Such items are described generally in a list attached to this Lease as **Exhibit J**. At the expiration or termination of this Lease, Lessee is permitted to deliver the premises with the items listed in **Exhibit J** in place, together with normal wear and tear.

2. **Section 4.14 Leadership in Energy and Environmental Design (LEED) Silver.** Section 4.14 Leadership in Energy and Environmental Design (LEED) Silver is deleted in its entirety and replaced with the following:

Section 4.14 Leadership in Energy and Environmental Design (LEED) Gold

Lessee shall comply with Snohomish County Code Section 3.06 Snohomish County Green and High Performance Building.

3. **Section 4.10 – NPDES Compliance.** Section 4.10 NPDES Compliance is added to the lease.

If required, Lessee shall apply for and comply with all Department of Ecology NPDES Industrial Stormwater Regulations. If not required, Lessee shall provide written proof that a permit is not needed. Failure to comply with NPDES Industrial Stormwater Regulations shall constitute a default of the lease resulting in termination unless said default is cured within thirty (30) days after notice thereof.

4. **Other Terms and Conditions.** All other terms and conditions of the Lease, not inconsistent herewith, shall remain in full force and effect.

DATED: _____
COUNTY: **SNOHOMISH COUNTY**

Airport Director
STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

On this day personally appeared before me

Joshua Marcy

Airport

to me known to be the **Director**
of the **Snohomish County Airport**

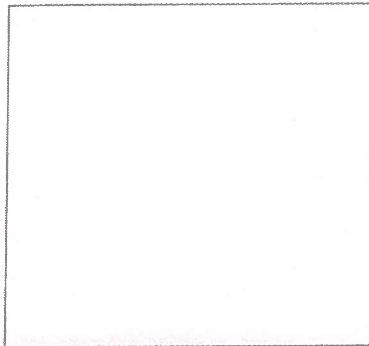
and the person who executed the within and foregoing instrument, and acknowledged that he signed the same as its free and voluntary act and deed, for the uses and purposes therein mentioned.

DATED: _____

Notary Public in and for the State of _____
Residing at: _____

My appointment expires:

Please place Notary stamp in box



Approved as to Form:

Corsi, Michelle
Digitally signed by Corsi, Michelle
Date: 2023.10.26 16:48:31 -07'00'

Deputy Prosecuting Attorney

DATED: 10/25/2023
LESSEE: The Boeing Company

Brett Malcolm
Its: Brett Malcolm, Authorized Signatory

STATE OF: MISSOURI)
) ss.
COUNTY OF: ST. LOUIS)

On this day personally appeared before me

Brett Malcolm

Authorized

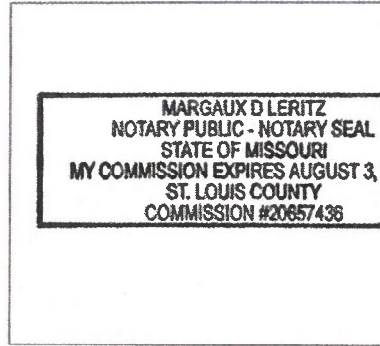
to me known to be the **Signatory**
of the **The Boeing Company**

And the person who executed the within and foregoing instrument, and acknowledged that he signed the same as its free and voluntary act and deed, for the uses and purposes therein mentioned.

DATED: October 25, 2023
Margaux D Leritz
Notary Public in and for the State of MO
Residing at: ST. LOUIS COUNTY

My appointment expires:

Please place Notary stamp in box



Approved:

Barker, Sheila
Digitally signed by Barker, Sheila
Date: 2023.10.27 08:11:27 -07'00'

Risk Management

DATED: _____
COUNTY: **SNOHOMISH COUNTY**

Airport Director
STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

On this day personally appeared before me

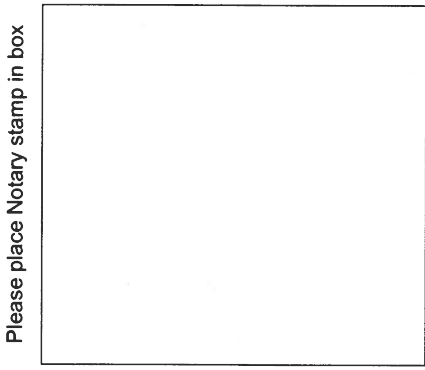
to me known to be the _____
of the **Snohomish County**

and the person who executed the within and foregoing instrument, and acknowledged that he signed the same as its free and voluntary act and deed, for the uses and purposes therein mentioned.

DATED: _____

Notary Public in and for the State of _____
Residing at: _____

My appointment expires:



Approved as to Form:

Deputy Prosecuting Attorney

DATED: 10/25/2023
LESSEE: **The Boeing Company**

Brett A. Malcolm
Its: **Brett Malcolm, Authorized Signatory**
STATE OF: MISSOURI)
) ss.
COUNTY OF: ST. LOUIS)

On this day personally appeared before me

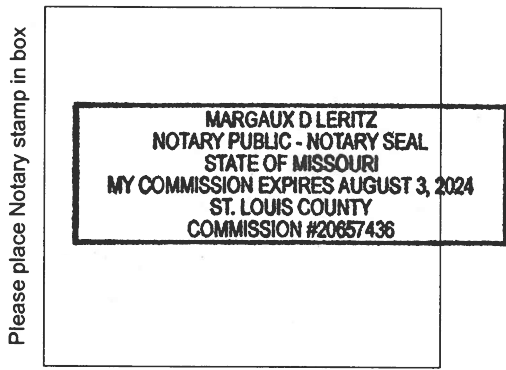
Brett Malcolm
Authorized Signatory
to me known to be the _____
of the **The Boeing Company**

And the person who executed the within and foregoing instrument, and acknowledged that he signed the same as its free and voluntary act and deed, for the uses and purposes therein mentioned.

DATED: OCTOBER 25, 2023

Margaux D LERITZ
Notary Public in and for the State of MO
Residing at: ST. LOUIS COUNTY

My appointment expires:



Approved:

Barker, Sheila Digitally signed by Barker, Sheila
Date: 2023.11.02 10:21:01 -07'00'

Risk Management