

**CITY OF SNOQUALMIE
LICENSE AGREEMENT WITH THE LINE EXPERIENCE, INC.
FOR USE OF SNOQUALMIE POINT PARK PROPERTY**

This License Agreement (hereafter the “Agreement”) is made by and between the City of Snoqualmie, a Washington municipal corporation (“City”), and The Line Experience, Inc. (“User”), a Delaware corporation, which together are collectively referred to herein as the “Parties.” This Agreement is effective as of the latest date of the Parties’ signatures below (“Effective Date”).

WHEREAS, the City’s Open Space, Parks and Recreation Plan acknowledges the need for additional parks and recreational facilities for its own residents as well as dramatically increasing regional recreationists and tourists; and to that end, the Plan identifies a need to promote partnerships with public and private service providers to meet the recreational and social needs of the community (Policy 10.6.1); provide opportunities for Snoqualmie residents of diverse ages, abilities and interests to participate in diverse recreational programs (Policy 10.6.3); and furnish trail systems with appropriate trailhead improvements, including bike racks and other service elements the support trails-related uses (Policy 10.9.4); and

WHEREAS, the City has determined that the availability of mountain bike education, instruction, and rental opportunities would be a desirable enhancement to the City’s park amenities and recreational opportunities at Snoqualmie Point Park, and would serve to attract a greater number of active users to the Park; and

WHEREAS, User has been in discussions with the City since 2022 regarding the potential for User to install a mountain bike education and rental kiosk at Snoqualmie Point Park; and

WHEREAS, the City and User have jointly identified an appropriate location within Snoqualmie Point Park to establish User’s educational and bike-rental amenities; and

WHEREAS, User’s maintenance and operation of a mountain bike education and rental kiosk satisfies and fulfills the intent of the restrictive covenants recorded on the Snoqualmie Point Park property by, among other things, providing “other public amenities to facilitate and enhance the City’s permitted uses” of Snoqualmie Point Park property as public open space land, and by making it easier for members of the public to use and enjoy the great outdoors;

NOW, THEREFORE in consideration of User’s promises herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. PURPOSE.

The City owns real property described as Snoqualmie Point Park, located at 37580 Winery Road, Snoqualmie, WA 98065 (the "Park Property") and desires to authorize User to access a portion of the Park Property for purposes of (a) installing and maintaining certain improvements and (b) operating and maintaining a mountain bike rental and instructional facility on such improvements, pursuant to this Agreement. The improvements generally consist of: a gravel pad; a container-based kiosk of approximately 160 sq. ft. (8 ft. x 20 ft.); and associated landscaping (together, the "Improvements"). The operations to be conducted generally consist of a mountain bike rental kiosk, open to members of the public during the months of March to December, and during the hours of 11:00 am to 6:00 pm on weekdays and 11:00 am to 6:00 pm on weekends. Services to be provided at the kiosk include mountain bike instruction, rental, and repair, and sales of incidental packaged food items to customers.

2. DESCRIPTION OF LICENSED PROPERTY.

The portion of the Park Property subject to this Agreement consists of an area of approximately 500 square feet, as necessary to accommodate the Improvements (gravel pad, storage container kiosk, and associated landscaping), which shall be located within the area shown on Exhibit A (the "Licensed Property"), although the Improvements may be relocated to a different area of the park at the request of the City upon reasonable notice if the Licensed Property is needed for alternative City purposes. In addition to the Licensed Property, User has the non-exclusive right, along with members of the general public, to use such area around the Licensed Property as needed to conduct instructional activities and drills for bike riders. All portable features deployed by User for instructional purposes (such as ramps, artificial rock gardens, and other materials, supplies, or equipment) shall be secured in the container when the Licensed Area is not staffed by User.

3. TITLE.

User hereby acknowledges this Agreement grants a privilege and not an interest in the Licensed Property, that all right and title to the Licensed Property lies with the City, and User agrees never to deny such title or right at any time, nor claim any interest or estate of any kind or extent whatsoever in the Licensed Property by virtue of this Agreement or User's occupancy or use hereunder. The City may enter the Licensed Property at any time to assert its real property interest or for other purposes which do not unreasonably interfere with User's activities authorized by this Agreement.

4. LICENSE FOR CONSTRUCTION AND INSTALLATION OF IMPROVEMENTS; TERM.

- A. The City hereby grants permission, revocable and terminable as provided herein, to User to construct the specified Improvements during the period commencing on the Effective Date and expiring on August 31, 2023 (the "Construction License"). All activity under the Construction License must be completed on the terms and conditions set forth herein, which User promises to comply with. The Construction License consists of permission for User to use the Licensed Property and such property outside the area of the Licensed Property as is reasonably necessary for construction and installation of the Improvements.

B. User shall not install or construct any improvements on the Licensed Property without submitting a plan and obtaining the approval of the Parks and Public Works Director (“PPW Director”). User shall also coordinate with the PPW Director for approval of a landscape plan. Construction of Improvements not in compliance with the plans approved by the PPW director (or designee) shall be considered a breach of the Construction License. The term of the Construction License may be extended by mutual agreement of the Parties in writing. The Mayor is authorized to agree on behalf of the City to extension(s) of the term of the Construction License.

5. LICENSE FOR OCCUPANCY AND MAINTENANCE OF IMPROVEMENTS; TERM.

The City hereby grants permission, revocable and terminable as provided herein, to User, during the two (2) year period commencing on the Effective Date (the “Term”), to occupy the Licensed Property and to use and maintain the Improvements for the purposes stated in this Agreement—namely, the provision of mountain bike education, instruction, repair, and rental services to members of the public (“Occupancy and Use License”), along with incidental packaged food sales. User’s use and occupation of the Licensed Property and the Improvements shall at all times be consistent with any terms and conditions set forth in this Agreement and any applicable City ordinances, regulations, or permits. This Occupancy and Use License includes permission for User to use the Licensed Property for ongoing maintenance and repair of the Improvements. Use, occupancy, and maintenance of the Improvements not in compliance with the terms stated herein, or any applicable City ordinance, regulation, or permit shall be considered a material breach of the Occupancy and Use License.

The Term of the Occupancy and Use License will renew automatically for an additional 1-year term, and thereafter will renew automatically for up to 4 additional terms of 1 year each (each a “Renewal Term”), unless the Occupancy and Use License is terminated as provided herein.

User agrees to comply with all City ordinances and other rules and regulations regarding permits and approvals related to operations on the Licensed Property pursuant to this Agreement as well as those of any governmental entity having jurisdiction.

6. CONSIDERATION

User shall pay the City the following annual license fees for the Occupancy and Use License under this Agreement:

| | |
|---------------------|----------|
| Year 1 | \$5,000 |
| Year 2 | \$7,500 |
| Year 3 (if renewed) | \$10,000 |

For all subsequent years, if the Occupancy and Use License continues beyond Year 3, the annual license fee shall increase above the prior year’s fee by the amount of the CPI-U for the Seattle-Tacoma-Everett MSA for the prior year. For example, the annual license fee for Year 4 shall be:

$$\$10,000 \times (1 + \text{CPI-U for Year 3}).$$

The annual license fee is due within 30 days of execution of this Agreement, and on each anniversary of the Effective Date thereafter until termination.

If the Occupancy and Use License is terminated without cause before the end of the initial Term or before the end of any Renewal Term, the annual license fee shall be refunded on a pro rata basis (i.e., if termination occurs six months into a Renewal Term, User will be refunded 50% of that year's annual fee).

In addition to the annual license fee, User shall conduct monthly inspections and organize quarterly work parties to improve the trails system at Fisher Creek Bike Park.

7. WASTE, NUISANCE, AND UNLAWFUL USE PROHIBITED.

User shall not commit, or suffer to be committed, any waste on the Park Property, nor shall User maintain, commit, or permit the maintenance of any nuisance on the Park Property or use the Licensed Property for any unlawful purpose. User shall not do or permit anything to be done in or about the Park Property which shall in any way conflict with any law, ordinance, rule, or regulation affecting the occupancy and use of the Park Property, which are or may hereafter be enacted or promulgated by any public authority.

8. SIGNAGE.

User may not install any signage except as authorized pursuant to the permit processes established in Chapter 17.75, Snoqualmie Municipal Code.

9. NO EMPLOYMENT OR AGENCY RELATIONSHIP.

User and the City agree that User is solely responsible for its acts and for the acts of its agents, employees, members, volunteers, or representatives during the Term of this Agreement, and User's use of the Licensed Property. Nothing in this Agreement shall be considered to create the relationship of employer/employee or principal/agent between the Parties, nor entitle User or any of User's agents, employees, members, volunteers, or representatives to any of the benefits of City employment.

10. INDEMNIFICATION.

User shall defend, indemnify, and hold harmless the City and its officers, officials, employees, and volunteers from and against any and all claims, suits, actions, or liabilities for injury to or death of any person, or for loss or damage to property, which arises out of or results from User's use of the Licensed Property, or User's employees', agents', members', customers', or invitees' participation in activities on the Licensed Property, or the negligence of User or its employees, agents, volunteers, or members, or from any act or omission by User or its employees, agents, volunteers, members, customers, or invitees on or about the Licensed Property. User assumes all responsibility for User's own negligent acts and omissions involving its employees, agents, members, volunteers, customers, and invitees. User's obligation to defend, indemnify, and hold the City harmless includes the obligation to pay the City's reasonable attorney fees and litigation expenses, but does not extend to injuries or damages caused by the sole negligence of the City. In no event shall User be responsible for any injury or

damage caused by the intentional or willful misconduct of the City, its employees, agents, volunteers, or consultants. And in the event of personal injury or property damage caused by the concurrent negligence of the City and User (or any of their employees, agents, officials, volunteers, customers, or invitees), User's duty to indemnify the City shall be limited to its proportionate share of fault.

11. INSURANCE.

- A. User shall procure and maintain in force for the Term of the Agreement and any renewal Term, and without cost to the City, a broad-form comprehensive general liability insurance policy covering claims for bodily injury and property damage that may arise from or in connection with User's use or occupancy of the Licensed Property, including any activities associated with the construction or installation of the Improvements. Such insurance policy shall have liability limits of not less than \$2,000,000 per occurrence, \$2,000,000 annual aggregate.
- B. User's insurance shall be written on an "occurrence" form, with a company that has a current A.M. Best rating of at least A-VII or better and is licensed to do business in the State of Washington. The City shall be named by endorsement as an additional insured.
- C. User's insurance coverage shall be primary insurance as respects the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of User's insurance and shall not contribute with it.
- D. User's insurance shall include a provision that it may not be cancelled or modified by either Party except after thirty (30) days' prior written notice has been given to the City.
- E. User shall furnish the City with a certificate of such insurance, including a copy of any amendatory endorsements, before commencing use of the Licensed Property under this Agreement.

12. TERMINATION.

Within the first 90 days following the Effective Date, either party may terminate this Agreement for any reason or no reason. At any time following the Effective Date, the City may immediately terminate this Agreement and/or stop a use in progress if User fails to comply with any applicable provisions of the City code or City permits or otherwise violates any terms of this Agreement. The City may also immediately terminate this Agreement and/or stop a use in progress if User fails to secure necessary permits, disregards a lawful order of an authorized representative of the City, or engages in activity that may cause injury to the public or damage to the Licensed Property or other public or private property. This provision shall not prevent the City from seeking any legal remedies it may otherwise have for the violation or nonperformance of any provisions of this Agreement or to abate or enjoin a public nuisance or disturbance of the peace. An uncured breach of any term of this Agreement constitutes grounds for immediate termination. Upon termination of this Agreement, either at the conclusion of the Term of the Occupancy and Use License (including any Renewal Term) or otherwise pursuant to this Section 12, User shall at its sole expense remove its Improvements and restore the Licensed Property to its condition at the start of the Term, unless the City agrees otherwise in writing.

13. TAXES

User is responsible for payment of all taxes, including leasehold excise taxes and any sales taxes, due as a result of User's use of City property under this Agreement.

14. DISCRIMINATION PROHIBITED.

The City does not discriminate on the basis of race, creed, national origin, religion, gender, marital status, age, sexual orientation, political affiliation, or sensory, mental, or physical disability, or any other unlawful basis. Any persons or group using City facilities must follow the same non-discriminatory policy.

15. ASSIGNMENT AND SUBCONTRACT.

User may not assign or subcontract any portion of its rights or obligations under this Agreement without the prior written consent of the City.

16. DAMAGE TO LICENSED PROPERTY.

User agrees to restore, repair, or replace at its own expense, any and all damages to City property of whatever origin or nature arising from User's use of the Licensed Property which occurs during the Term of this Agreement (or any Renewal Term) in order to restore the Licensed Property to a condition at least equal to the condition of the Licensed Property at the start of the Term. Alternatively, User may opt to pay the City for the costs of such restoration, repair, or replacement. In such event, the City will provide detailed billing and accounting to User when such restoration, repair, or replacement is completed. User shall immediately report any damages that may occur to the designated agent of the City.

17. WAIVER OF CLAIMS.

User waives all claims against the City for loss of or damage to User's property on or about the Licensed Property or from its use of the Licensed Property. User agrees that the responsibility for protection and safekeeping of equipment and materials on or near the Licensed Property will be entirely that of User and that no claim shall be made against the City by reason of any such loss or damage or the acts of any third party.

18. NOTICES.

Notices to the City shall be sent to the following address:

Snoqualmie City Hall
Attn: Parks & Public Works Director
38624 SE River Street
P.O. Box 987
Snoqualmie, WA 98065
(425) 888-1555
Email: mchambless@snoqualmiewa.gov

Notices to User shall be sent to the following address (insert User's street and email addresses):

The Line Experience, Inc.
Attn: Michael Kunz
1130 E. North Bend Way
North Bend, WA 98045
(206) 419-7822
Email: mike@thelinemt.com

19. APPLICABLE LAW; VENUE; ATTORNEYS' FEES.

This Agreement is governed by and shall be construed in accordance with the laws of the State of Washington, without reference to its choice-of-law rules. King County, Washington, is the exclusive venue for any suit, arbitration, or other legal proceeding instituted to interpret or enforce any term of this Agreement. The prevailing party in any such action is entitled to its reasonable attorneys' fees and costs of suit, which shall be fixed by the judge or neutral party hearing the case, and such fee shall be included in the judgment or award.

20. ENTIRE AGREEMENT; AMENDMENTS.

This Agreement constitutes the entire agreement between the parties, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement exist or bind either of the parties. Either party may request changes to the Agreement. Changes that are mutually agreed upon shall be incorporated by written amendments to this Agreement, executed under signatures of all parties.

21. SEVERABILITY.

In the event any provision or part of this Agreement is found to be void or unenforceable under any law or regulation, all remaining provisions shall continue to be valid and binding upon the City and User, who both agree that the Agreement shall be reformed to replace such void or unenforceable provision or part with a valid and enforceable provision that comes as close as reasonably possible to expressing the intent of the void or unenforceable provision.

AGREED TO AND ACKNOWLEDGED BY:

CITY OF SNOQUALMIE:

USER: THE LINE EXPERIENCE, INC.

By: _____

By: _____

Title: Mayor

Title: _____

Date: _____

Date: _____

Approved as to form:

David Linehan, Interim City Attorney