

EXHIBIT I
Interim Work

A. GENERAL LESSOR RESPONSIBILITIES

1. At the time of Lease execution, Lessor shall submit to the Department of Enterprise Services (DES) and the Department of Labor and Industries (L&I) a Statement of Intent to pay prevailing wages for Work performed on the project during the Interim Period in the same form as set forth in RCW 39.12.040;
2. Within 30 days after Lease execution, Lessor shall pay at least the prevailing rate of wage for Work performed on the project during the Interim Period;
3. Within 30 days after the project is declared substantially complete by the DES architect, Lessor shall, upon request by DES or L&I, submit to DES a copy of certified payroll records for Work performed on the project during the Interim Period;
4. Upon substantial completion of the project, as determined by the DES architect, Lessor shall submit to L&I an Affidavit of prevailing wages paid in the form required by L&I, including prevailing wages paid for Work performed on the project during the Interim Period; and
5. Lessor agrees that the Lessee is authorized to withhold from any and all unpaid rent and/or tenant improvement reimbursement payments under the Lease all amounts necessary to satisfy unpaid prevailing wage obligations for Work performed on the project during the Interim Period as determined by L&I.

B. OPERATIONAL REQUIREMENTS

1. For purposes of the Interim Period, L&I will determine whether the premises subject to the Lease is for at least fifty percent of the project by one or more state agencies, as these terms are applied in RCW 39.04.260 (i.e., whether the project is a “Turnkey” project”).
2. L&I will make the determination as to the prevailing rate of wage for each Turnkey project. Any dispute must be reviewed in the manner provided in WAC 296-127-060(3).
3. The date that the Non Binding Letter of Intent (LOI) is issued by DES related to the Lessor’s proposal to lease space subject to the Lease will serve as the date for L&I determining the prevailing wage rates that will be in effect for the entire Turnkey project. This date will be referred to as the “bid due date”.
4. For informational purposes only, and to assist L&I in timely providing appropriate information to a proposer prior to a contract to lease being executed, DES will provide a copy of the LOI related to the proposed premises to L&I upon initial issuance of the LOI to the proposer. Upon receipt of the LOI from DES, L&I will send to the proposer:
 - A statement of Intent to Pay Prevailing Wages (“Intent”)
 - An Affidavit of Wages Paid (“Affidavit”)
 - A copy of the Prevailing Wage Law Booklet
 - A cover letter to include:
 - A reference to the L&I website address for the prevailing wage rates for each county.
 - The bid due date.
 - Instruction to the proposer that it must notify DES when its intent and affidavit forms are filed with L&I or on the Prevailing Wage Intent & Affidavit System (PWIA).
 - Instruction that the proposer must notify all of its subcontractors on the Turnkey project that, if a contract to lease is executed, the proposer must pay prevailing wages during the Interim Period and comply with Chapter 39.12 RCW.
 - Instruction to a proposer who believes its work on a project is not a Turnkey project subject to prevailing wage during the Interim Period under the contract to lease or is otherwise exempt from prevailing wage, that the proposer must submit a letter to L&I explaining the reasons for exemption when filing the “Intent” form.
 - Name and address of L&I contact person.
5. The Lessor and its subcontractors are each required to complete and file a Statement of Intent to pay prevailing wages form with L&I for the Interim Period. At the time of lease execution the Lessor shall submit to L&I a certified Intent for Work performed during the Interim Period in the same form as set forth in RCW 39.12.040.

6. Once L&I approves the Intent and it is transmitted to the PWIA by L&I, which shall be within 5 days of submittal, DES will obtain this information from the PWIA for attachment to the Construction Bid Cost Breakdown Form.
7. The Lessor and its subcontractors are required to complete and file an Affidavit of wages paid form (including prevailing wages paid for the Interim Period) with L&I and DES upon substantial completion of the project (as determined by the DES architect). Once L&I approves the Affidavit, it will be transmitted to the PWIA. Lessor and contractors on a Turnkey project may find it necessary for amended Affidavits to be filed with L&I if Work continues after the date of substantial completion. If exempted, the Affidavit form will not be required.
8. Lessor agrees that if any prevailing wage complaints are filed for the Interim Period with L&I or DES within 30 days after the DES architect has declared the project substantially complete (hereinafter "substantial completion"), the Lessee may withhold rent and tenant improvement reimbursement payments due under the Lease in the amount of unpaid prevailing wages claimed in those wage complaints filed for the Interim Period. The prevailing wage amounts due will be determined by L&I. Lessee shall not release the withheld rent and tenant improvement reimbursement payments or pay rent until after such claim(s) is finally resolved with L&I, including appeals.
9. If no such claims have been filed for the Interim period with L&I or DES within 30 days after substantial completion, the Lessee may release the remaining tenant improvement funds and pay rent upon written approval of DES.
10. Lessor agrees that if a wage complaint for the Interim Period is filed with L&I within 30 days after substantial completion, the Lessee may withhold the following payments, without interest or penalty, otherwise due under the Lease: (1) any unpaid tenant improvement reimbursement payments owed under the Lease; and (2) if unpaid tenant improvement reimbursement payments are insufficient to cover the amount of unpaid prevailing wages claimed for the Interim period in all wage complaints filed with L&I or DES within 30 days after substantial completion, Lessee may withhold rent equivalent to the amount of unpaid prevailing wages claimed in all wage complaints filed for the interim Period, as determined by L&I, less any tenant improvement reimbursement payments withheld pursuant to item (1) of this subsection.
11. If tenant improvement payments and/or rent are withheld, such withheld payments will be released by the Lessee to the Lessor within 30 days of receipt by Lessee from L&I of certification that the unpaid prevailing wage claims for the Interim Period have been paid or have been finally resolved with L&I, including appeals. L&I will provide Lessee with certification of prevailing wage compliance for the Interim Period within 30 days of either a determination that there is not a prevailing wage violation or that each employer (the Lessor and contractors) has paid the full prevailing wages for the Interim Period.
12. Lessor agrees that Lessee may withhold unpaid tenant improvement reimbursement payments and rent in the same manner as provided in section B.10 above until L&I has approved the Intent form required to be filed with L&I under section B.5. of this Exhibit.
13. Lessor agrees that in the event a Lessor or contractor on a Turnkey project has not completed and filed the required Affidavit form with L&I for wages paid during the Interim Period the Lessee may withhold the rent and remaining unpaid tenant improvement reimbursement payments in the same manner as provided in section B.10 above until the Lessor complies with the requirement to complete and file the Affidavit form with L&I.
14. Lessor agrees that L&I will interpret and determine compliance with prevailing wage requirements (ch. 39.12 RCW), including disputes and appeals.