

MOTION NO. M2010-98
Lease Extension for Midtown Station

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:	PHONE:
Operations and Administration Committee	11/18/10	Recommendation to Board	Ahmad Fazel, DECM Executive Director	206-398-5389
Board	11/18/10	Final Action	Nancy Bennett, Property Management Manager	206-398-5401

PROPOSED ACTION

Authorizes the chief executive officer to extend the sublease agreement with Plumbing Express Incorporated, doing business as Midtown Station, located at 813 Academy Street in Sumner, Washington until Sound Transit needs or disposes of the property.

KEY FEATURES

- Board approval of the sublease is requested to comply with Sound Transit's Procurement Policy (Resolution No. 78-1) requiring approval of Sound Transit property lease agreements with terms that exceed five years.
- Sound Transit currently has a 99-year lease with the City of Sumner for the Sumner Commuter Rail Station.
- Sound Transit subleases 3,387 square feet to Midtown Station for parking. The sublease was originally executed within the chief executive officer's delegated authority in December 2005 and it expires in November 2010.
- The monthly rent currently payable to Sound Transit is \$125.00 + 12.84 % leasehold tax and will be adjusted on an annual basis pursuant to changes in the Consumer Price Index.
- The current five-year sublease will be extended with five one-year options and will include a 30-day cancellation clause. Future lease extensions will not require additional Board approval.
- Midtown Station maintains and keeps the parking lot in a good state of repair at their sole cost and expense.

PROJECT DESCRIPTION

Sumner Station is located adjacent to the BNSF tracks at Maple Street in Sumner. Sumner Station was completed in 2000 and is served by Sounder, ST Express Route 578, and Pierce Transit Route 496. There are 286 parking spaces at Sumner Station with 41 additional spaces available in the lot at State St. & Hunt Ave.

FISCAL INFORMATION

\$ w hole dollars

Current Year Budget	Adopted 2010 Budget	Revenues expected in 2010	Forecasted Future Revenue (Per Month)
Midtown Station (Plumbing Express)	1,500	1,593	218
Other Miscellaneous Revenues	2,016,454	-	-
Total	2,017,954	1,593	218

SMALL BUSINESS PARTICIPATION

Not applicable to this action

BACKGROUND

In August 1999, Sound Transit entered into a 99-year lease agreement with the City of Sumner for the Sumner Commuter Rail Station. In April 2005, Plumbing Express, Inc requested a sublease for the grassy area next to the Sumner Station to develop the area into a parking lot. Sound Transit verified the potential sublease area was included within Sound Transit's leased area from the City of Sumner.

Plumbing Express's sublease commenced in December 2005 and Sound Transit approved their tenant improvement plans in January 2006. Plumbing Express completed the tenant improvements at their sole cost and expense, which included paving and striping the parking lot. These parking spaces are not accessible from other driving aisles at the Sumner Station.

ENVIRONMENTAL COMPLIANCE

SK 10/15/10

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R99-24 - Authorized the Executive Director to enter into a 99-year lease and development agreement with the City of Sumner as necessary for the construction and operation of the Sumner Commuter Rail Station for the Tacoma-to Seattle Commuter Rail Project.

Resolution No. 78-1 – Established revised delegated authority and procedures for the procurement of materials, work and services and for the acquisition and use of property and property rights for the Authority and superseded Resolution No. 78.

TIME CONSTRAINTS

The sublease expires on November 20, 2010. A delay would prevent Sound Transit from extending the sublease.

LEGAL REVIEW

JB 11/10/10

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A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to extend the sublease agreement with Plumbing Express Incorporated, doing business as Midtown Station, located at 813 Academy Street in Sumner, Washington until Sound Transit needs or disposes of the property.

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The monthly rent currently payable to Sound Transit is \$125.00 + 12.84 % leasehold tax and will be adjusted on an annual basis pursuant to changes in the Consumer Price Index.

MOTION:


It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to extend the sublease agreement with Plumbing Express Incorporated, doing business as Midtown Station, located at 813 Academy Street in Sumner, Washington until Sound Transit needs or disposes of the property.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on November 18, 2010.



Aaron Reardon
Board Chair

ATTEST:



Marcia Walker
Board Administrator