



## **MOTION NO. M2012-70**

### **Amend Lease Agreement for Parking Near Puyallup Station**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>	<b>PHONE:</b>
Operations and Administration Committee	10/4/12	Recommendation to Board	Ahmad Fazel, Executive Director	206-398-5389
Board	10/25/12	Final Action	<b>Nancy Bennett, Property Management Manager</b>	206-398-5401

### **PROPOSED ACTION**

Authorizes the chief executive officer to extend the lease for 73 commuter parking stalls near the Puyallup Station with the Puyallup Daffodil FOE Aerie 2308 (Fraternal Order of Eagles) for two years (to 2014) with options to extend the lease for up to 8 additional years in one or two-year terms for a total of 10 years, in the amount of \$18,000 per year, with a 4% estimated market rent increase each year beyond 2014, for a combined estimated total of \$216,110, for a new total authorized agreement amount not to exceed \$315,580.

### **KEY FEATURES SUMMARY**

- Sound Transit entered into a lease with the Puyallup Fraternal Order of Eagles (FOE) for 57 parking stalls commencing in November 2005. That lease expired in 2009 and the parties entered into a new lease for 73 parking spaces. The 2009 lease expired on August 31, 2012 but has been extended since September 1, 2012 on a month-to-month basis.
- The lease amendment will extend the lease for two years with the option to extend the term up to 2022 in four (4) one or two-year terms. Resolution No. 78-2 requires all lease agreements with a term greater than five years be approved by the Board.
- Rent for the option terms will be fair market value. This action assumes a rental rate increase of approximately 4% per year.

### **BACKGROUND**

Puyallup Station parking was opened in 2001. Shortly after the opening the parking capacity at the station was filled. In November 2005, Sound Transit leased 57 parking spaces from the Puyallup FOE in their lot located on 3<sup>rd</sup> Ave NW, adjacent to the station to accommodate parking overflow. In 2009, Sound Transit increased the number of leased parking spaces to 73. 73 stalls is currently enough to serve parking demand. The lease amendment extends the term to 2014. Sound Transit and the Lessor have the ability to renew the lease by mutual agreement at either one year or two year intervals to 2022 and to renegotiate the rent to the then current market rate. The lease provides for the Lessor to restripe and seal the lot on an as-needed basis and for Sound Transit to pay a portion of that cost.

**FISCAL INFORMATION**

This action will be funded from Sounder operations Lease and Rental budget. In 2012, the budget for Lease and Rental is \$305,156 and YTD spending at the end of August is \$197,972. Upon the approval of the proposed action, the anticipated contract expenditure for the remaining 2012 is \$3,000, leaving a budget balance of \$104,184.

Action Item: Contract with Puyallup Daffodil ROE Aerie 2308 to provide leased parking space to accommodate Sounder Commuter rail riders.

Current Year Sounder Operating Lease and Rental budget	Adopted 2012 Budget	Spent and Committed to date in 2012	Contract Expenditures 2012	Remaining 2012 Budget
Sounder Leases and Rentals	305	198	3	104
<b>Total, Sounder Lease and Rental</b>	<b>305</b>	<b>198</b>	<b>3</b>	<b>104</b>

Contract Spending Plan	Prior Year(s) Spending			Total
	2012 Spending	Future Spending		
Puyallup Daffodil ROE Aerie 2308	95	3	218	316

Contract Budget	Approved	Spent to Date	Proposed Action	Contract Value
Puyallup Daffodil ROE Aerie 2308	99	95	216	315
Contingency	-	-	-	-
<b>Total Contract</b>	<b>99</b>	<b>95</b>	<b>216</b>	<b>315</b>
Percent Contingency	0%	0%	0%	0%

**Notes:**

Sounder Lease and Rental budget can be found on page 48 of Adopted 2012 Budget book.

**SMALL BUSINESS PARTICIPATION**

Not applicable to this action.

**EQUAL EMPLOYMENT WORKFORCE PROFILE**

Not applicable to this action.

**PUBLIC INVOLVEMENT**

Not applicable to this action.

**TIME CONSTRAINTS**

A one month delay would not create a significant impact to the project schedule.

**PRIOR BOARD/COMMITTEE ACTIONS**

Resolution No. 78-2: Updated the existing delegated authority and policy for the procurement of contracts, materials, services, and work; for the acquisition, use, and disposal of real and personal

property; for the execution of agreements with other public entities; and superseded Resolution No. 78-1.

**PUBLIC INVOLVEMENT**

Not applicable to this action.

**ENVIRONMENTAL COMPLIANCE**

JI 09/21/2012

**LEGAL REVIEW**

JV 9/28/12

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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 lease for 73 commuter parking stalls near the Puyallup Station with the Puyallup Daffodil FOE Aerie 2308 (Fraternal Order of Eagles) for two years (to 2014) with options to extend the lease for up to 8 additional years in one or two-year terms for a total of 10 years, in the amount of \$18,000 per year, with a 4% estimated market rent increase each year beyond 2014, for a combined estimated total of \$216,110, for a new total authorized agreement amount not to exceed \$315,580.

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**MOTION:**

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to extend the lease for 73 commuter parking stalls near the Puyallup Station with the Puyallup Daffodil FOE Aerie 2308 (Fraternal Order of Eagles) for two years (to 2014) with options to extend the lease for up to 8 additional years in one or two-year terms for a total of 10 years, in the amount of \$18,000 per year, with a 4% estimated market rent increase each year beyond 2014, for a combined estimated total of \$216,110, for a new total authorized agreement amount not to exceed \$315,580.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 25, 2012.

  
Pat McCarthy  
Board Chair

ATTEST:

  
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Marcia Walker  
Board Administrator