

MOTION NO. M2016-120**Extending Existing City of SeaTac Parking Lease**

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	12/01/2016	Final Action	Bonnie Todd, Executive Director of Operations Nancy Bennett, Property Management Manager

PROPOSED ACTION

Authorizes the chief executive officer to execute an amendment to the existing lease with the City of SeaTac for the parking structure located at 15247 International Boulevard, Tukwila, WA, for an additional one year term with an option to extend for an additional one year term, for a total authorized agreement amount not to exceed \$285,895.

KEY FEATURES SUMMARY

- Sound Transit currently leases 63 parking stalls on the top floor to provide overflow parking for the Tukwila International Boulevard Link Light Rail Station.
- Rent is increasing to current fair market rate equal to \$4,678.02 per month and will increase an additional 2% if the option to extend is exercised.
- The current agreement is set to terminate on December 31, 2016.
- The terms and conditions of the lease agreement remain unchanged.
- The City of SeaTac is currently planning on selling this property within the next two years. The lease contains the option to terminate the agreement with 120 days advance written notice.

BACKGROUND

Resolution No. 78-2 states that Real Property Agreements that obligate Sound Transit or the other party to pay more than \$200,000 must be approved by the Board. Total rent payments will exceed \$200,000 in June 2017.

On October 10, 2013, Operations entered into a lease agreement with the City of SeaTac for 63 parking stalls on the top floor of the parking structure located at 15247 International Boulevard, Tukwila, WA.

These stalls provide overflow parking for the Tukwila International Boulevard Link Light Rail Station. Sound Transit would like to renew this lease for an additional one year term and have the option to renew for an additional one year term. During the first year rental period, the rental payments will exceed \$200,000 so Board action is being sought before renewing the lease agreement.

FISCAL INFORMATION

The proposed action is funded from the Lease and Rentals budget within the Operations Department annual operating budget. For 2017, \$8.6 million is budgeted for Lease and Rental. Within that amount, \$619 thousand is reserved for General Administrative operating leases at

various locations, including the parking facility at Tukwila. The estimated costs of \$56 thousand for the first year lease extension are within the budget authority.

Estimated lease payment for the second option year will be included in the future annual budgeting process.

Operations Department		2017 Proposed Budget	Actuals to Date	This Action	Actuals to Date Plus Action	Remaining 2017 Budget
	Salaries and Benefits	15,055			-	15,055
	Services	57,993			-	57,993
	Materials and Supplies	10,785			-	10,785
	Utilities	5,270			-	5,270
	Insurance	-			-	-
	Taxes	2,595			-	2,595
	Purchased Transportaiton Services	163,027			-	163,027
	Miscellaneous	376			-	376
	Leases and Rentals	8,601	111	56	167	8,434
	Total Current Budget	263,701	111	56	167	263,535
Leases & Rentals Detail						
	Transit Ways	7,982	-		-	7,982
	General Administrative.	619	111	56	167	452
	Total Lease & Rental Budget	8,601	111	56	167	8,434
Contract Spending Plan						
		Prior Year Spending	Forecast 2017 Spending	Future Expenditures	Total	
	City of SeaTac	171	56	59	286	
Contract Detail						
	City of Seatac	Board Approved Contract Value	Contract Actuals to Date	Proposed Action	Proposed Revised Board Approved Contract Value	
	City of SeaTac	171	171	115	286	
	Contingency				-	
	Contract Amount - Total	171	171	115	286	
	Percent Contingency			0%	0%	

Amounts are expressed in Year of Expenditure \$000.

Notes: The Operations Department budget can be found on page 25 of Proposed 2017 Budget book.

Actuals to date includes another board action that is being concurrently submitted to the Board for approval.

Prior year spending includes 2016 expenditure.

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Not applicable to this action

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one month delay in Board action would not provide enough time to amend the current lease that ends on December 31, 2016.

ENVIRONMENTAL REVIEW

JI 11/14/2016

LEGAL REVIEW

JB 11/23/2016

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A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an amendment to the existing lease with the City of SeaTac for the parking structure located at 15247 International Boulevard, Tukwila, WA, for an additional one year term with an option to extend for an additional one year term, for a total authorized agreement amount not to exceed \$285,895.

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MOTION:

It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute an amendment to the existing lease with the City of SeaTac for the parking structure located at 15247 International Boulevard, Tukwila, WA, for an additional one year term with an option to extend for an additional one year term, for a total authorized agreement amount not to exceed \$285,895.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 1, 2016.


Paul Roberts

Operations and Administration Committee Chair

ATTEST:



Kathryn Flores
Board Administrator