

MOTION NO. M2011-59
Lease Agreement for Storage Space in Auburn

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	07/21/2011	Recommendation to Board	Ahmad Fazel, DECM Executive Director
Board	07/28/2011	Final Action	Nancy Bennett, Property Management Manager

PROPOSED ACTION

Authorizes the chief executive officer to execute a lease agreement with Auburn Omni Business Park, LLC, for warehouse space located in Auburn, WA, for a five-year term with five one-year options, for a total amount not to exceed \$425,671.

KEY FEATURES

- The proposed action would execute a new lease at 3538 “C” Street NE to continue to meet Sound Transit’s storage needs, including warehouse space for storage and two offices for facilities staff.
- The new lease is 6,480 square feet, which includes the storage and office space.
- The new lease is approximately \$.18 per square foot less than comparable properties in the area.
- The new lease will meet Sound Transit’s current needs as well as space for additional materials for upcoming in-house and construction projects, and materials for STarts and future DECM projects.
- The lease amount covers 10 years.

PROJECT DESCRIPTION

Sound Transit has leased warehouse space from Omni Auburn Business Park, LLC. since October 1999, in order to accommodate storage requirements and to provide a remote office for Sound Transit Facilities staff. In 2006, Sound Transit moved to a larger unit. The current lease began on February 1, 2006, and expires on September 30, 2011.

The new lease is a new location 500 feet from the previous lease, and adds an additional 2,980 square feet of storage.

FISCAL INFORMATION

Summary for Board Action (X \$1,000)

Action Item: To execute a lease agreement with Auburn Omni Business Park, LLC for warehouse lease space.

Facilities & Fleet, Admin Facilities Rental	Adopted 2011 Budget (1)	Spent & Committed to date in 2011	2011 Estimates (proposed action)	2011 Remaining Budget
Auburn Warehouse Rental budget	25	19	8	(2)
Total	25	19	8	(2)

Contract Spending Plan	Prior Year(s) Spending	2011 Spending	Future Expenditures	Total
Auburn Omni Business Park, LLC	-	8	418	426
Total	-	8	418	426

Contract Budget	Approved Contract Value	Spent to Date	Proposed Action	Proposed Total Contract Value
Auburn Omni Business Park, LLC	-	-	426	426
Contingency	-	-	-	-
Total Contract	-	-	426	426
Percent Contingency	-	-	0%	0%

Level	Shortfall Amt	Potential Funds	Funding Source
Facilities & Fleet, Admin Facilities Rental	\$ (2)	\$ 2	Other Lease and Rentals
Total	\$ (2)	\$ 2	

Notes:

¹ The Facilities Admin Facilities Rental budget is embedded in Operations staff Budget, which can be found on page 130 of the Adopted 2011 Budget book.

SMALL BUSINESS PARTICIPATION

Not applicable to this action.

EQUAL EMPLOYMENT WORKFORCE PROFILE

Not applicable to this action.

BACKGROUND

Sound Transit's current lease with Omni will expire on September 30, 2011. The new lease would begin upon completion of tenant improvements, expected to be October 1, and expire on September 30, 2016 with five one-year options to renew beyond the initial term.

The landlord is paying for all tenant improvements which include: replacing the floor and fixtures in the restrooms; installing window film on all windows; repairing exposed pipes, vents, and fans; and ensuring that heating units and all lighting are serviced.

ENVIRONMENTAL COMPLIANCE

JI 6/24/2011

TIME CONSTRAINTS

A one-month delay may cause a delay in tenant improvement completion, resulting in a lease commencement date later than October 1, 2011.

LEGAL REVIEW

JB 07/15/11

MOTION NO. M2011-59

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a lease agreement with Auburn Business Park, LLC, for warehouse space located in Auburn, WA, for a five-year term with five one-year options, for a total amount not to exceed \$425,671.

BACKGROUND:


Sound Transit's current lease with Auburn Business Park will expire on September 30, 2011. The new lease would begin upon completion of tenant improvements, expected to be October 1, and expire on September 30, 2016 with five one-year options to renew beyond the initial term.

The landlord is paying for all tenant improvements which include: replacing the floor and fixtures in the restrooms; installing window film on all windows; repairing exposed pipes, vents, and fans; and ensuring that heating units and all lighting are serviced.

MOTION:


It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a lease agreement with Auburn Business Park, LLC, for warehouse space located in Auburn, WA, for a five-year term with five one-year options, for a total amount not to exceed \$425,671.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 28, 2011.



Aaron Reardon
Board Chair

ATTEST:



Marcia Walker
Board Administrator