

**MOTION NO. M2016-96**  
**Lynnwood Transit Café Lease Amendment**

| <b>MEETING:</b>                         | <b>DATE:</b> | <b>TYPE OF ACTION:</b> | <b>STAFF CONTACT:</b>   |
|---|--------------|------------------------|---|
| Operations and Administration Committee | 09/01/2016   | Cancelled              | Ahmad Fazel, Executive Director, Design Engineering, and Construction Management. |
| Board                                   | 09/22/2016   | Final Action           | <b>Nancy Bennett, Property Management Manager</b>                                 |

**PROPOSED ACTION**

Authorizes the chief executive officer to execute an amendment to the existing lease with SB Eternity Inc. dba Lynnwood Transit Café at 20122 46th Avenue West, in Lynnwood, WA, to extend the term of the lease for an additional five years.

**KEY FEATURES SUMMARY**

- Resolution 78-2 requires all lease agreements with a term greater than five years be approved by the Board.
- Lynnwood Transit Center Café leases 120 square feet of retail space at the Lynnwood Transit Center as an espresso and deli shop.
- Tenant is paying Sound Transit current market rent at \$355.39 a month with a \$50.00 utility credit to offset the cost of the drivers' comfort station.
- Rent will be increased on each anniversary date of the lease based on the Consumer Price Index increase.

**BACKGROUND**

Sound Transit owns retail space in the Lynnwood Transit Station, which has been leased to an espresso and deli shop since 2007. The Lynnwood Transit Café is located at 20122 46th Avenue West, in the Lynnwood Transit Center.

Sound Transit entered into a Term Lease with SB Eternity Inc., a Washington corporation dba Lynnwood Transit Café on February 21, 2007. The Lease was modified by an Amendment to Lease dated February 21, 2007, a Second Amendment to Lease dated July 7, 2010, and a Third Amendment to Lease dated September 8, 2011. The Lease commenced on March 1, 2007, and will expire on September 30, 2016.

**FISCAL INFORMATION**

Lease revenues are included within the Miscellaneous Revenues the agency receives. SB Eternity Inc. dba Lynnwood Transit Café annual lease revenue of \$3,665 is included within the Adopted 2016 Miscellaneous Revenue Budget of \$11,958,042. Future lease revenues will be included in future budgets.

## SB Eternity Inc. dba Lynnwood Transit Café Budget Table

| Revenue (\$000)                     | Adopted 2016<br>Budget | Projected 2016<br>Revenues |
|-------------------------------------|------------------------|----------------------------|
| Lynnwood Transit Café Lease Revenue | 4                      | 4                          |
| Other Miscellaneous Revenues        | 11,954                 | 11,954                     |
| <b>Total Miscellaneous Revenues</b> | <b>11,958</b>          | <b>11,958</b>              |

Notes:

Miscellaneous Revenues budget is located on page 15 of Adopted 2016 Budget book.

### **SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION**

Sound Transit determined that there were few Small Business and DBE subcontracting opportunities based upon the work described in this contract, so Small Business/DBE goals were not established.

### **PUBLIC INVOLVEMENT**

Not applicable to this action.

### **TIME CONSTRAINTS**

A one-month delay would not allow time for Board action prior to the expiration date of the Lease.

### **PRIOR BOARD/COMMITTEE ACTIONS**

Motion No. M2011-67: Authorizing the chief executive officer to execute an amendment to the existing lease with SB Eternity INC. dba Lynnwood Transit Café to extend the term of the lease.

### **ENVIRONMENTAL REVIEW**

JI 7/29/2016

### **LEGAL REVIEW**

JV 8/26/2016

**MOTION NO. M2016-96**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute an amendment to the existing lease with SB Eternity Inc. dba Lynnwood Transit Café at 20122 46th Avenue West, in Lynnwood, WA, to extend the term of the lease for an additional five years.

**BACKGROUND:**

Sound Transit owns retail space in the Lynnwood Transit Station, which has been leased to an espresso and deli shop since 2007. The Lynnwood Transit Café is located at 20122 46th Avenue West, in the Lynnwood Transit Center.

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Lynnwood Transit Center Café leases 120 square feet of retail space at the Lynnwood Transit Center as an espresso and deli shop. Tenant is paying Sound Transit current market rent at \$355.39 a month with a \$50.00 utility credit to offset the cost of the drivers' comfort station. Rent will be increased on each anniversary date of the lease based on the Consumer Price Index increase.

**MOTION:**

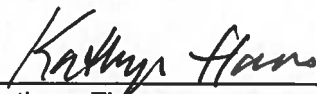
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute an amendment to the existing lease with SB Eternity Inc. dba Lynnwood Transit Café at 20122 46th Avenue West, in Lynnwood, WA, to extend the term of the lease for an additional five years.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on September 22, 2016.



Dow Constantine  
Board Chair

ATTEST:



Kathryn Flores  
Board Administrator