

MOTION NO. M2018-70
Amend Existing Salish Crossing LLC Parking Lease

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	06/07/2018	Recommend to Board	Bonnie Todd, Executive of Operations Nancy Bennett, Property Management Manager
Board	06/28/2018	Final Action	

PROPOSED ACTION

Authorizes the chief executive officer to amend the existing parking lease with Salish Crossing LLC to provide 103 parking stalls next to the Edmonds Station for an additional five-year term, in the amount of \$1,271,790, for a total authorized agreement amount not to exceed \$2,256,285.

KEY FEATURES SUMMARY

- Sound Transit currently leases 103 parking stalls, consisting of approximately 37,100 square feet, from Salish Crossing LLC to provide overflow parking for Sound Transit commuters at Edmonds Station.
- The amendment would increase the current rent to fair market value equal to \$19,570 per month and will increase 4 percent per year for the remainder of the lease agreement.
- The current agreement terminates June 30, 2018.
- Beyond the items notated the terms and conditions, the lease agreement remains unchanged.
- Resolution No. 78-2 requires all Real Property Agreements with a term greater than five years to be approved by the Board

BACKGROUND

Sound Transit entered into a lease agreement with Salish Crossing LLC on December 20, 2012. Salish Crossing LLC owns the property adjacent to Edmonds Station. Sound Transit leased 103 parking stalls with the purpose of providing overflow parking to commuters. This lot is located adjacent to the station and was the only lot that was available for lease in the area.

FISCAL INFORMATION

The proposed action will amend the current contract by \$1,271,970 for a new total authorized contract amount not to exceed \$2,256,285 and will be funded from the Leases and Rental category within Operations Department's annual operating budget. The Leases and Rental budget is \$9,140,114, of which a total \$186,970 is estimated to be spent for this contract in 2018 (YTD spending of \$69,550 and estimated spending for the rest of 2018 of \$117,420) and is within the agency's budget authority. After approval of this action, the remaining annual budget amount will be used to fund other department expenditures in 2018.

Funding for the additional years of the contract will be included in future annual budget requests.

Operations Department

(in thousands)

Cost Category	2018 Annual Operating Budget ¹	YTD Actuals ²	This Action (Current Year Impact Only)	YTD Actuals Plus Action (Current Year Only)	Remaining Annual Operating Budget
Salaries and Benefits	\$22,533	\$5,426	\$	\$5,426	\$17,107
Services	67,957	19,049		19,049	48,908
Materials and Supplies	11,663	2,705		2,705	8,958
Utilities	5,632	2,030		2,030	3,601
Taxes	2,868	1,164		1,164	1,704
Purchased Transportation Services	177,101	59,568		59,568	117,534
Miscellaneous	480	122		122	358
Leases and Rentals	9,140	3,013	117	3,130	6,010
Total Annual Operating Budget	\$297,374	\$93,076	\$117	\$93,193	\$204,180

Contract Spending Plan	Forecasted			Total
	Spending to Date ³	Remainder of 2018	Future Spending	
Salish Crossing LLC	\$894	\$117	\$1,245	\$2,256

Contract Detail	Proposed Revised Board Approved Contract Value		
	Board Approved Contract Value	Proposed Action	Proposed Revised Board Approved Contract Value
Salish Crossing LLC	\$984	\$1,272	\$2,256
Contingency			
Contract Amount - Total	\$984	\$1,272	\$2,256
Percent Contingency		0%	0%

Notes:

¹2018 Annual Operating Budget is located on page 29 of the Adopted 2018 Budget book.

²YTD Actuals as of April 30, 2018.

³Spending to Date as of April 30, 2018.

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 would require the lease amendment to be ratified.

PRIOR BOARD/COMMITTEE ACTIONS

Motion No. M2012-84: Authorized the chief executive officer to execute a five-year lease agreement with Salish Crossing LLC to provide 103 parking stalls next to the Edmonds Station for an annual amount of \$185,400, with a 3% increase each year, for a total authorized agreement amount not to exceed \$984,315, subject to Sound Transit Board adoption of the 2013 Budget

ENVIRONMENTAL REVIEW

KH 5/18/2018

LEGAL REVIEW

AJP 6/1/2018

MOTION NO. M2018-70

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to amend the existing parking lease with Salish Crossing LLC to provide 103 parking stalls next to the Edmonds Station for an additional five-year term, in the amount of \$1,271,790, for a total authorized agreement amount not to exceed \$2,256,285.

BACKGROUND:

Sound Transit entered into a lease agreement with Salish Crossing LLC on December 20, 2012. Salish Crossing LLC owns the property adjacent to Edmonds Station. This lot is located adjacent to the station and was the only lot that was available for lease in the area.

Sound Transit currently leases 103 parking stalls, consisting of approximately 37,100 square feet, from Salish Crossing LLC to provide overflow parking for Sound Transit commuters at Edmonds Station. The amendment would increase the current rent to fair market value equal to \$19,570 per month and will increase 4 percent per year for the remainder of the lease agreement.

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MOTION:

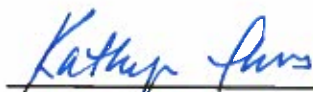
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to amend the existing parking lease with Salish Crossing LLC to provide 103 parking stalls next to the Edmonds Station for an additional five-year term, in the amount of \$1,271,790, for a total authorized agreement amount not to exceed \$2,256,285.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 28, 2018.



Dave Somers
Board Chair

ATTEST:



Kathryn Flores
Board Administrator