

Ordinance No. 123400

Council Bill No. 116964

AN ORDINANCE relating to the Department of Finance and Administrative Services; authorizing the Director of Finance and Administrative Services to execute an amendment to a lease agreement with the U.S. General Services Administration for warehouse space at Federal Center South, 4735 East Marginal Way South in Seattle; and ratifying and confirming certain prior acts.

Related Legislation File:

Date Introduced and Referred: <u>Sept. 13, 2010</u>	To: (committee): <u>Finance and Budget</u>
Date Re-referred:	To: (committee):
Date Re-referred:	To: (committee):
Date of Final Action: <u>9.20.10</u>	Date Presented to Mayor: <u>9.22.10</u>
Date Signed by Mayor: <u>Sept. 28, 2010</u>	Date Returned to City Clerk: <u>Sept. 29, 2010</u>
Published by Title Only <input checked="" type="checkbox"/>	Date Vetoed by Mayor:
Published in Full Text	
Date Veto Published:	Date Passed Over Veto:
Date Veto Sustained:	Date Returned Without Signature:

*Law Department*

The City of Seattle – Legislative Department

Council Bill/Ordinance sponsored by: *[Signature]*

Committee Action:

Date	Recommendation	Vote
<u>9/16</u>	<u>Do pass</u>	<u>Y-JG, MVOB</u>

This file is complete and ready for presentation to Full Council.

Full Council Action:

Date	Decision	Vote
<u>9.20.10</u>	<u>8-0</u>	<u>Excused: SC</u>



1 Section 1. As requested by the Department of Finance and Administrative Services  
2 Director and recommended by the Mayor, said Director is hereby authorized to execute, for and  
3 on behalf of the City of Seattle, an amendment to a lease agreement with the U.S. General  
4 Services Administration, substantially in the form of Attachment 1, attached hereto and  
5 identified as "Supplemental Lease Agreement No. 2 to Lease No. GS-10PTE-OL-6-21,"  
6 providing for the City of Seattle's tenancy and occupancy of a portion of the real property  
7 commonly known as Federal Center South, located at 4735 East Marginal Way South in Seattle.  
8

9 Section 2. The Supplemental Lease Agreement is intended to be effective as of April 1,  
10 2010. Accordingly, any act consistent with the authority of this ordinance prior to its effective  
11 date is hereby ratified and confirmed.

12 Section 3. The rental payments contemplated by the terms of the lease agreement  
13 authorized in Section 1 hereof shall be charged to the appropriate expenditure allowance or  
14 allowances in the budget of the Department of Finance and Administrative Services and shall be  
15 reimbursed to that department by the Seattle Police Department.  
16

17 Section 4. This ordinance shall take effect and be in force 30 days from and after its  
18 approval by the Mayor, but if not approved and returned by the Mayor within ten days after  
19 presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.  
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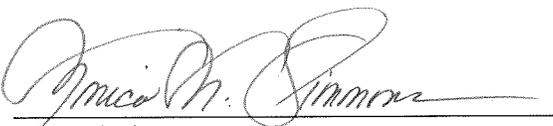
Passed by the City Council the 20<sup>th</sup> day of September, 2010, and  
signed by me in open session in authentication of its passage this  
20<sup>th</sup> day of September, 2010.

  
\_\_\_\_\_  
President Richard Conlin of the City Council

Approved by me this 28<sup>th</sup> day of September, 2010.

  
\_\_\_\_\_  
Michael McGinn, Mayor

Filed by me this 29<sup>th</sup> day of September, 2010.

  
\_\_\_\_\_  
City Clerk

(Seal)

Attachment 1: Supplemental Lease Agreement No. 2 to Lease No. GS-10PTE-OL-6-21

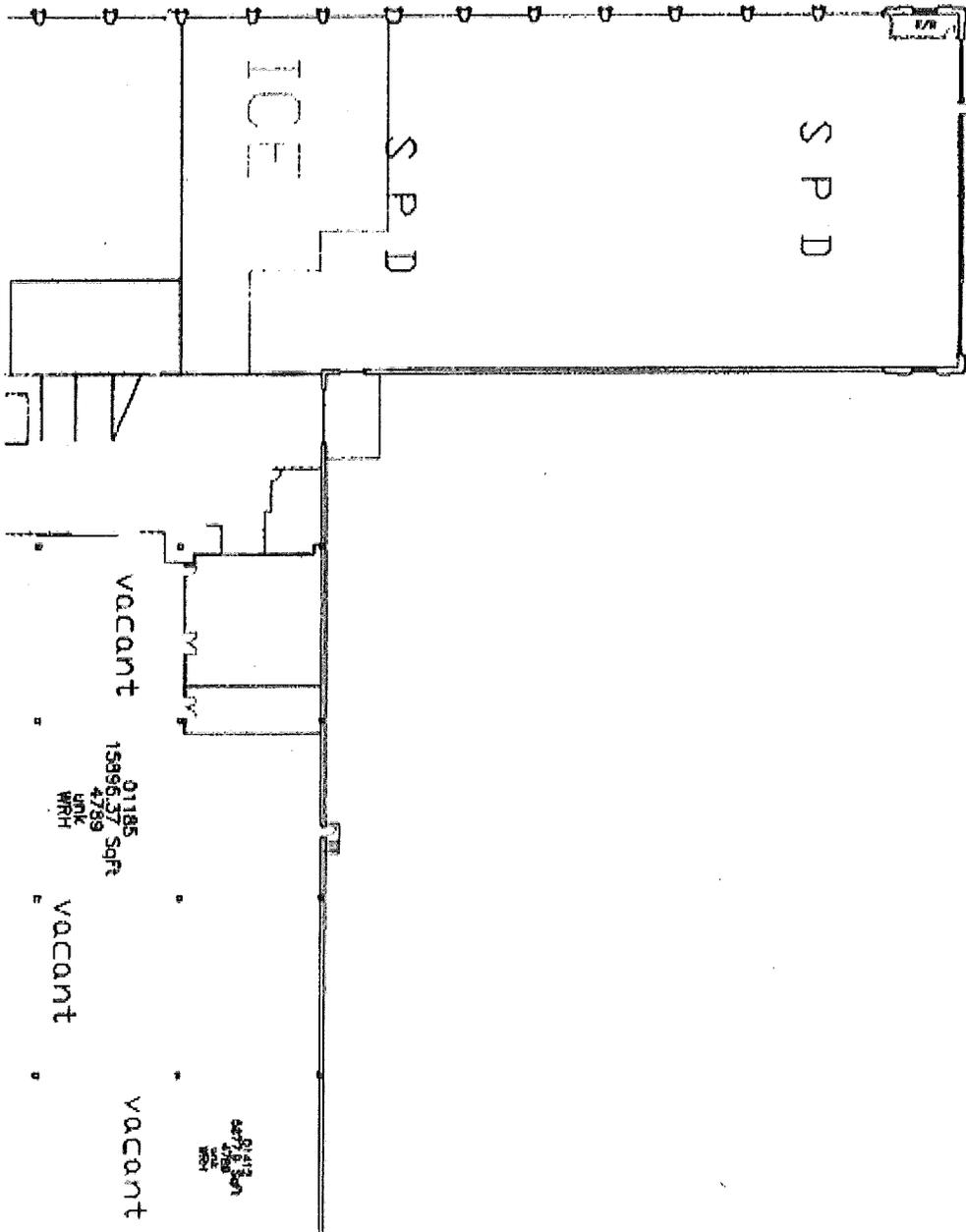


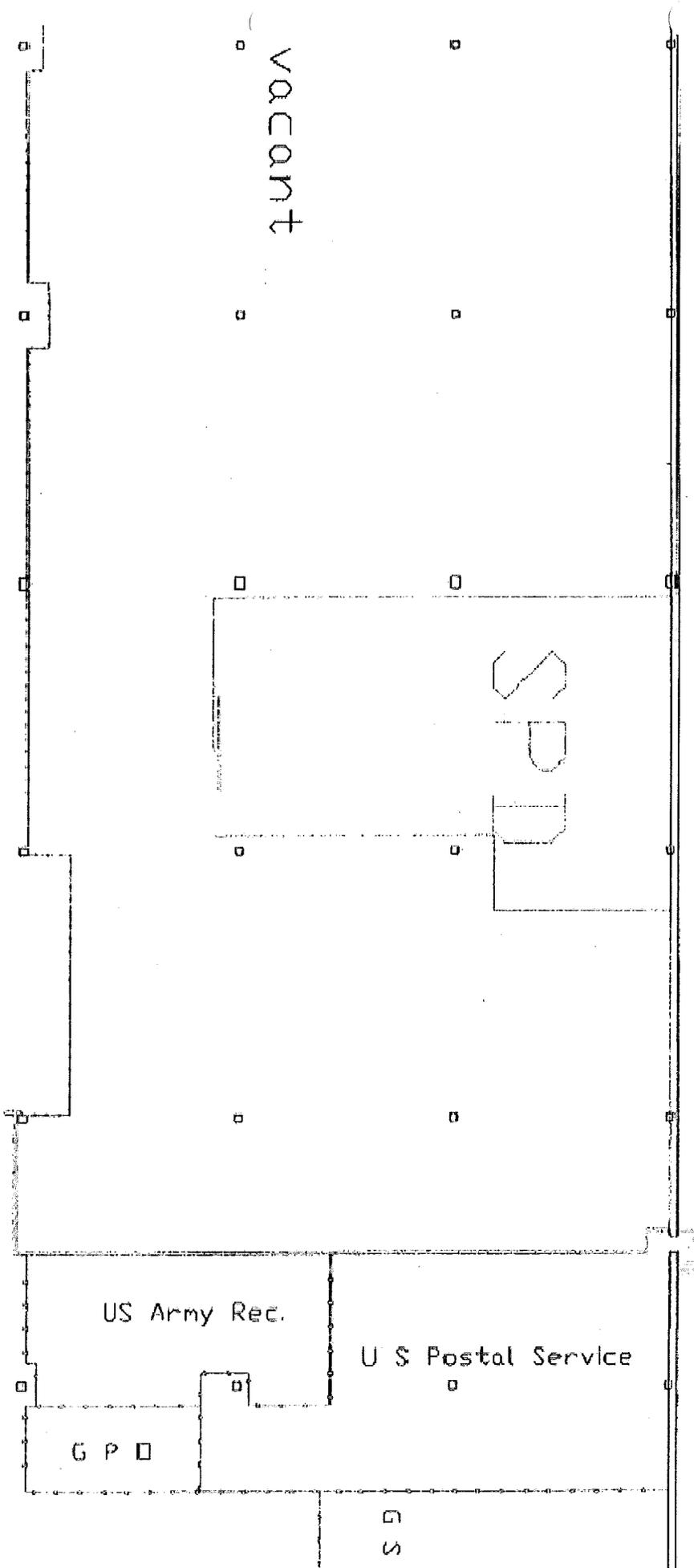
<b>GENERAL SERVICES ADMINISTRATION</b> PUBLIC BUILDINGS SERVICE	SUPPLEMENTAL AGREEMENT NO. 2	DATE
<b>SUPPLEMENTAL LEASE AGREEMENT</b>		TO LEASE NO. GS-10PTE-OL-6-21
ADDRESS OF PREMISES Federal Center South 4735 East Marginal Way South 1201 Building, Seattle, WA 98134		
THIS AGREEMENT, made and entered into this date by and between <b>CITY OF SEATTLE, FLEETS &amp; FACILITIES DEPARTMENT</b>		
whose address is <b>700 FIFTH AVENUE, SUITE 5200</b> <b>PO BOX 94689, SEATTLE, WA 98124-4689</b>		
hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereafter called the Government:		
WHEREAS, the parties hereto desire to amend the above Lease.		
NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective <u>APRIL 1, 2010</u> , as follows:		
This SLA #2 (Supplemental Lease Agreement) reflects a partial change in location within the building, a change in square footage, a three (3) year extension in occupancy, an increase in rent and a change in payment address, therefore, Paragraphs 2, 3, and 4 are amended as follows:		
2. WITNESSETH: The Lessor hereby leases to the Lessee the following described premises: Approximately 17,439 usable square feet of warehouse space located in the high bay area and 4,509 usable square feet of warehouse space located in the low bay area of Federal Center South, 1201 Building, 4735 E. Marginal Way S., Seattle, WA 98134. To be used exclusively for the following purpose(s): The storage and/or use of hazardous/flammable materials, or perishable food grade products are prohibited.		
3. TO HAVE AND TO HOLD the premises with their appurtenances under the following term beginning, <u>April 1, 2010</u> and ending, <u>March 31, 2013</u> . This agreement will revert to a month-to-month occupancy, pending a negotiated agreement of renewal, based on current market rates for like space. Lessee must notify the Contracting Officer, in writing, of intent to renew no later than thirty (30) days prior to expiration of the initial lease term.		
4. The Lessee shall pay the Lessor an annual rental of <u>\$60,361.56 (Sixty thousand three hundred sixty one dollars and 56/100)</u> , payable at the rate of <u>\$5,030.13 (Five thousand thirty dollars and 13/100)</u> , per month in advance. Rent for part of a month shall be prorated. All payments shall be made payable to the <u>General Services Administration</u> , and shall contain the following Outlease number for identification purposes: <u>GS-10PR-OL-6-21</u> . All payments are to be paid by check or money order and mailed to the <u>OFFICE OF FINANCE, GENERAL SERVICES ADMINISTRATION, PO BOX 301511, LOS ANGELES, CA 90030-1511</u> , for receipt on or before the first day of each month. Transmittal via an electronic funds transfer (EFT) is acceptable with arrangements made through the Office of Finance. This address is for the receipt of rental payments ONLY, with all other correspondence submitted to the Contracting Officer, NOT the Finance Office.		
All other terms and conditions of the lease shall remain in force and effect.		
IN WITNESS WHEREOF, the parties subscribed their names as of the above date.		
LESSEE		
BY _____ (Signature)	_____ (Title)	_____ Tax ID/SSN:91-6001275
IN PRESENCE OF		
_____ (Signature)	_____ (Address)	
UNITED STATES OF AMERICA		
BY _____ (Signature)	_____ CONTRACTING OFFICER GENERAL SERVICES ADMINISTRATION (Official Title)	



# EXHIBIT A

**INITIALS**  
**&**  
**LESSEE / GOVERNMENT**  
DATE: \_\_\_\_\_





**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
FAS for SPD	Kyle Joyce (4-7154)	Greg Shiring (6-4085)

**Legislation Title:**

AN ORDINANCE relating to the Department of Finance and Administrative Services; authorizing the Director of Finance and Administrative Services to execute an amendment to a lease agreement with the U.S. General Services Administration for warehouse space at Federal Center South, 4735 East Marginal Way South in Seattle; and ratifying and confirming certain prior acts.

• **Summary of the Legislation:**

This legislation authorizes the Department of Finance and Administrative Services (FAS) to amend a lease agreement with the General Services Administration (GSA) for approximately 21,948 square feet of warehouse space at the GSA's Federal Center South facility, located at 4735 East Marginal Way South in Seattle. The Seattle Police Department (SPD) currently uses this space for storing equipment and vehicles obtained as evidence. The amendment extends the lease term for three years. The Supplemental Lease Agreement (SLA) is retroactive to April 1, 2010, because GSA was substantially delayed in providing the City with an updated calculation of the premises area and a draft agreement which reflected the recalculated area and extension period. The legislation is required because the amount of leased space exceeds FAS's leasing authority (under Seattle Municipal Code 3.127.020) of 9,000 square feet for a single industrial building in one calendar year.

• **Background:**

SPD first moved into Federal Center South in 2006, into two separate spaces, leased under two separate lease agreements. A lease agreement in 2007 consolidated the two lease agreements into one amended agreement. Prior to the expiration of the previous lease period on March 31, 2010, SPD reduced its occupancy and GSA agreed to recalculate the premises area for the proposed lease extension period. However, GSA was substantially delayed in providing the recalculated area and a draft extension agreement. Consequently, the proposed agreement is retroactive to April 1, 2010 and the proposed legislation includes a ratification and confirmation provision.

SPD uses the space to store "evidence vehicles," vehicles seized in connection with a criminal investigation as well as to store supplies and equipment associated with homeland security programs. Federal Center South provides a combination of site security, proximity to downtown, and rental costs that meet SPD requirements.

The GSA tends to keep its rental rates at the low end of the market. The rental rate for the term of this amendment will be \$60,361.56 annually; \$5,030.13 monthly. The rental rate includes all utilities and site security.



FAS manages the lease payments on a pass-through basis for Seattle Police Department.

**X This legislation has financial implications.**

Fund Name and Number	Department	Budget Control Level*	2010 Appropriation	2011 Anticipated Appropriation
General Fund (00100)	Seattle Police Department	Field Support Administration (P8000)	\$46,629.31 (see Table 1)	\$62,172.41 (see Table 1)
Operating Fund (50330)	Finance and Administrative Services	Facility Operations (A3000)	\$46,629.31	\$62,172.41
<b>TOTAL</b>			<b>\$93,242.62</b>	<b>\$124,344.82</b>

\*See budget book to obtain the appropriate Budget Control Level for your department.

**Notes:**

**Table 1: Rent Payments for SPD at Federal Center South for 2010, 2011, 2012 & 2013**

	2010	2011	2012	2013
	April - Dec 2010	Jan - Dec 2011	Jan - Dec 2012	Jan - Mar 2013
Rent/month	\$5,030.13	\$5,030.13	\$5,030.13	\$5,030.13
Period Subtotal	\$45,271.17	\$60,361.56	60,361.56	\$15,090.39
FAS Overhead at 3%	\$1,358.14	\$1,810.85	\$1,810.85	\$452.71
<b>Annual Rent</b>	<b>\$46,629.31</b>	<b>\$62,172.41</b>	<b>\$62,172.41</b>	<b>\$15,543.10</b>

Lease costs appear in both the Police Department and Department of Finance and Administrative Services budgets because FAS administers the lease on a pass-through basis.

**Anticipated Revenue/Reimbursement: Resulting From This Legislation:**

Fund Name and Number	Department	Revenue Source	2010 Revenue	2011 Revenue
Operating Fund (50330)	Finance and Administrative Services	General Fund (00100)	\$46,629.31	\$62,172.41
<b>TOTAL</b>			<b>\$46,629.31</b>	<b>\$62,172.41</b>

**Notes:**

**Spending/Cash Flow:**

Fund Name & #	Department	Budget Control Level*	2010 Expenditures	2011 Anticipated Expenditures
n/a				
<b>TOTAL</b>				

\* See budget book to obtain the appropriate Budget Control Level for your department.

**Notes:**



**What is the financial cost of not implementing the legislation?**

For 2010, market rental rates for warehouse space in SODO, of which Federal Center South is a part, range from \$6.00 to \$8.00 per square foot per year (not including utilities and security). Even with the continued downward pressure of the economy, asking rates in the SODO market have remained stable. The 2010-2013 GSA rate of \$2.75 per square foot per year (including utilities and site security) reflects a substantial discount from market rates.

• **Does this legislation affect any departments besides the originating department?**

Yes, the occupant of the leased space is the Seattle Police Department. As noted above, FAS manages the lease payments on a pass-through basis for Seattle Police Department.

• **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**

The only viable alternative would be to secure similar warehouse space at a property that would likely be inferior to Federal Center South and would cost substantially more.

• **Is the legislation subject to public hearing requirements:**

No

• **Other Issues:**

None

• **List attachments to the fiscal note below:**

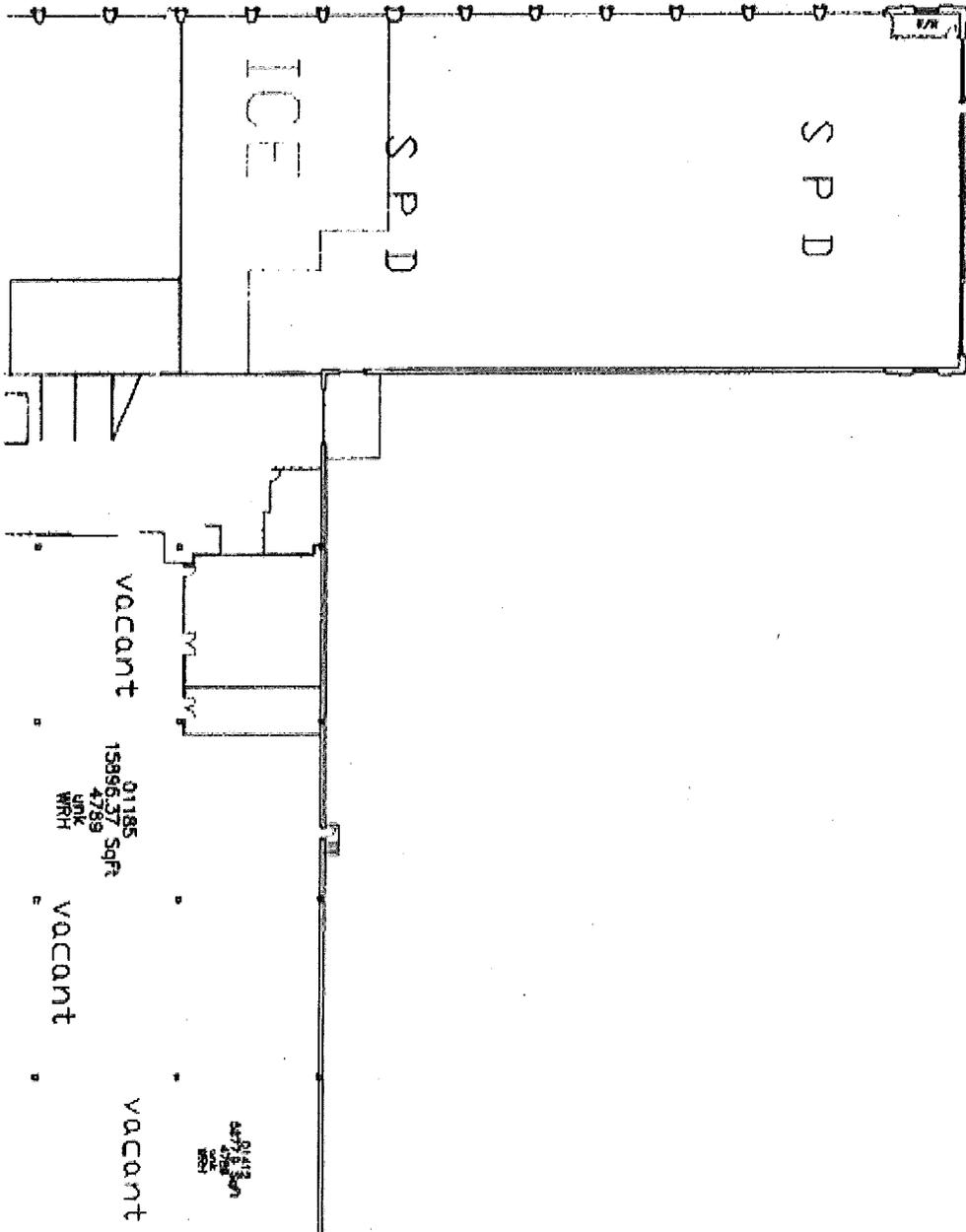
Exhibit 1: General Services Administration, Supplemental Lease Agreement No. 2 to Lease No. GS-10PTE-OL-6-21

Exhibit 2: Federal Center South Map



# EXHIBIT A

**INITIALS**  
**&**  
**LESSOR / GOVERNMENT**  
DATE: \_\_\_\_\_



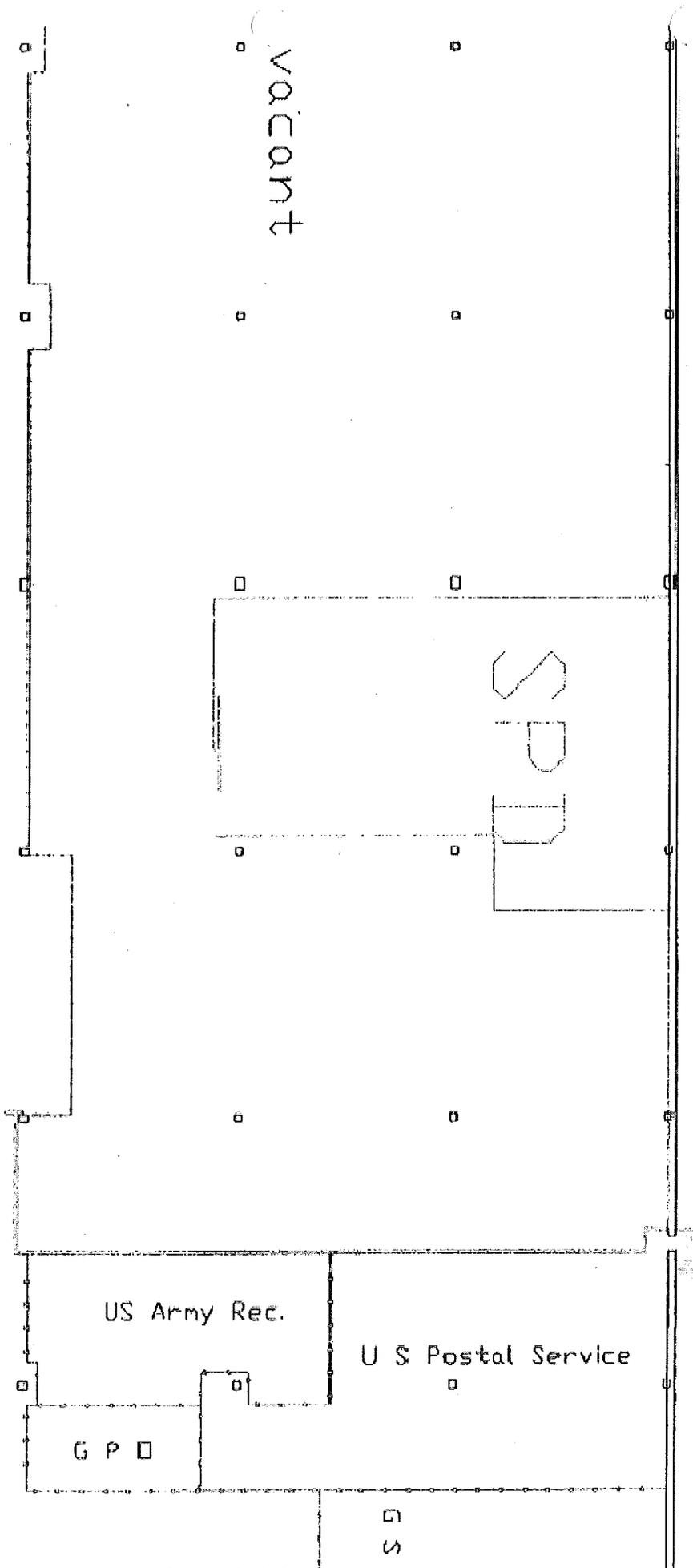
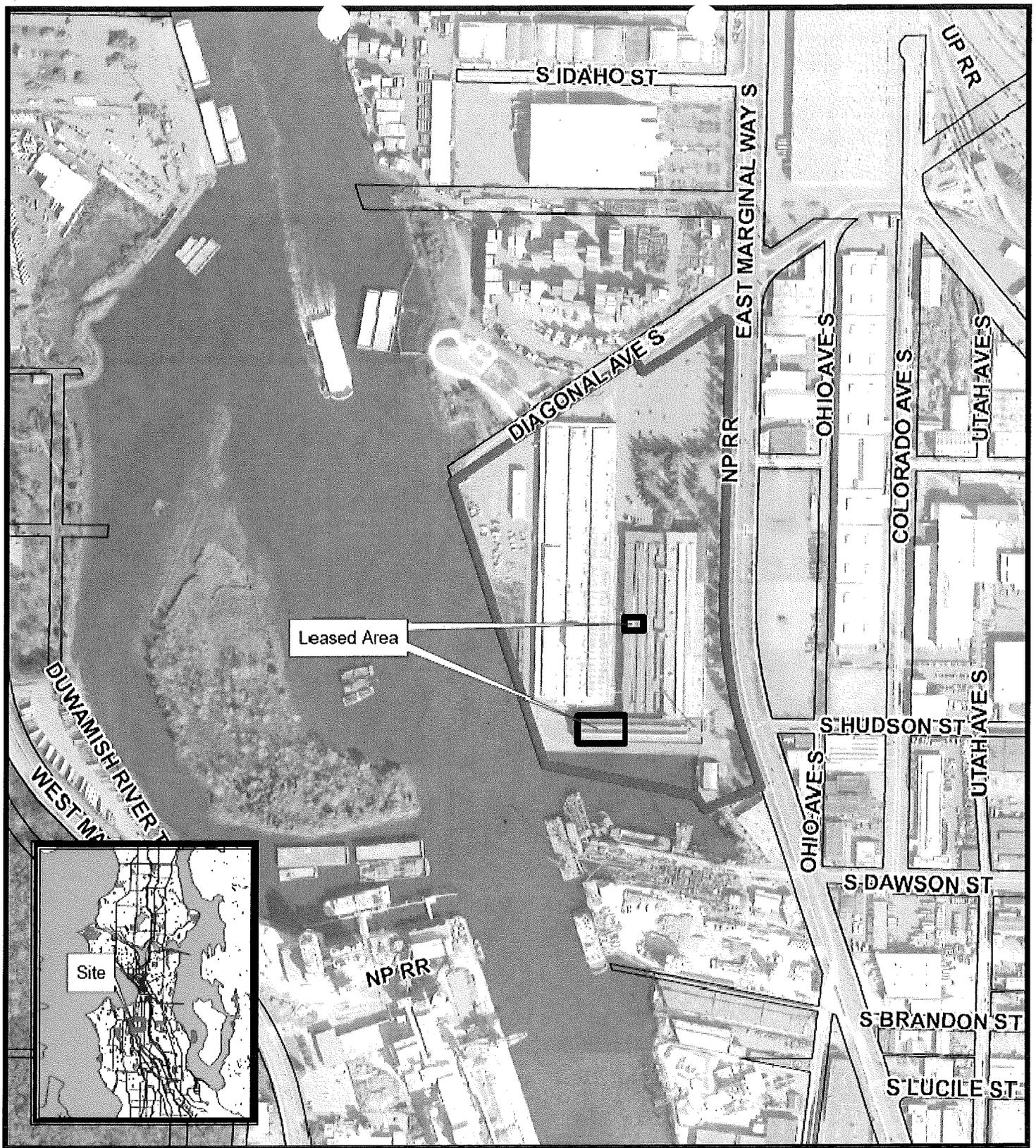


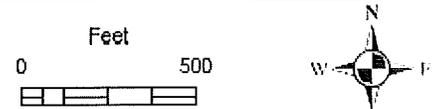
Exhibit 1 to Fiscal Note  
(Supplemental Lease Agreement)






**City of Seattle**  
 SPD - Federal Center South  
 4735 East Marginal Way South

**Legend**  
 Federal Center South Site  
 Leased Area



FAG Facility Operations Division  
 WCraven August 2010  
 All rights reserved. No guarantee of any sort is implied.  
 Including accuracy, completeness, or fitness for use.

Exhibit 2 to Fiscal Note  
 (Federal Center South Map)





**City of Seattle**  
Office of the Mayor

August 31, 2010

Honorable Richard Conlin  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill authorizing the Department of Finance and Administrative Services (FAS) to execute a lease amendment with the United States General Services Administration. This amendment extends the current Seattle Police Department (SPD) lease of approximately 21,948 square feet of warehouse space at the Federal Center South Complex by three years.

SPD has been a tenant in the Federal Center South Complex for the past four years and wishes to continue to occupy the space for storage of evidence and police equipment. There is no City space available to meet SPD's storage needs, and the lease costs at Federal Center South are low compared to other comparable space. Legislation is required because the size of the leased space exceeds FAS's statutory authority for leasing.

The lease amendment authorized by this legislation will provide Seattle Police Department with the space required to continue to carry out its operations. Should you have questions, please contact Kyle Joyce at 684-7154.

Sincerely,

Michael McGinn  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor  
Office of the Mayor  
600 Fourth Avenue, 7<sup>th</sup> Floor  
PO Box 94749  
Seattle, WA 98124-4749

Tel (206) 684-4000  
Fax (206) 684-5360  
TDD (206) 615-0476  
mike.mcgin@seattle.gov



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**STATE OF WASHINGTON – KING COUNTY**

--SS.

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261513  
CITY OF SEATTLE, CLERKS OFFICE

No. TITLE ONLY

**Affidavit of Publication**

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12<sup>th</sup> day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

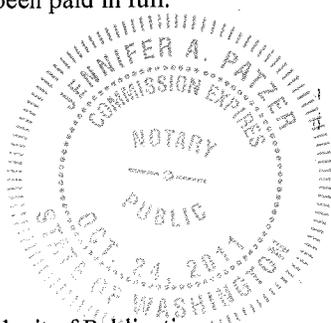
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:123394,123398-123407

was published on

10/11/10

The amount of the fee charged for the foregoing publication is the sum of \$ 170.63, which amount has been paid in full.



Affidavit of Publication

Subscribed and sworn to before me on

10/11/10

Notary public for the State of Washington,  
residing in Seattle

# State of Washington, King County

## City of Seattle

### TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on September 20, 2010, and published here by title only, will be mailed upon request, or can be accessed at <http://clerk.ci.seattle.wa.us>. For further information, contact the Seattle City Clerk at 684-8344.

#### ORDINANCE NO. 123394

AN ORDINANCE relating to the Mountains to Sound Greenway Trail; authorizing the Director of Transportation to sign an agreement with the Washington State Department of Transportation for State construction of a portion of the Mountains to Sound Greenway Trail on City property and State property; and authorizing the Director of Transportation to sign a lease with the Washington State Department of Transportation for City maintenance and operation of a portion of the Mountains to Sound Greenway Trail on State property.

#### ORDINANCE NO. 123398

AN ORDINANCE relating to City employment commonly referred to as the Second Quarter 2010 Employment Ordinance; designating positions as exempt from Civil Service status and authorizing the Mayor to execute a memorandum of agreement between the City of Seattle and the International Federation of Professional and Technical Engineers, Local 17; all by a 2/3 vote of the City Council.

#### ORDINANCE NO. 123399

AN ORDINANCE relating to the Seattle Center Department; authorizing execution of an amendment to the Mercer Arena Ground Lease between the City of Seattle and Seattle Opera.

#### ORDINANCE NO. 123400

AN ORDINANCE relating to the Department of Finance and Administrative Services; authorizing the Director of Finance and Administrative Services to execute an amendment to a lease agreement with the U.S. General Services Administration for warehouse space at Federal Center South, 4735 East Marginal Way South in Seattle; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 123401

AN ORDINANCE relating to 800 MHz emergency radio communication; authorizing the Director of the Department of Information Technology to execute on behalf of the City an Interlocal Agreement between the City of Seattle, City of Tacoma, Eastside Public Safety Communication Agency, King County, Snohomish County Emergency Radio System, and Valley Communications Center for the purpose of interoperable 800 MHz emergency communications within the Puget Sound region; and ratifying and confirming prior acts.

#### ORDINANCE NO. 123402

AN ORDINANCE relating to the City Light Department; authorizing a 10-year agreement with Pend Oreille County for (1) the loss of revenues and additional financial burdens associated with the City of Seattle's operation of the Boundary Hydroelectric Project on the Pend Oreille River pursuant to RCW 5.21.420, 425, 426, and 427; and (2) the County's agreement to settle all issues relating to City Light's relicensing of the Boundary Hydroelectric Project and the related Sullivan Creek Power Project license surrender.

#### ORDINANCE NO. 123403

AN ORDINANCE relating to jail services; authorizing the Mayor to execute an Interlocal Agreement with Snohomish County for the Provision of Jail Services; and ratifying and confirming certain prior acts.

#### ORDINANCE NO. 123404

AN ORDINANCE authorizing, in 2010, acceptance of funding from non-City sources; authorizing the heads of the Office for Education, the Office of Housing, the Seattle Fire Department, the Office for Civil Rights, the Human Services Department, the Department of Planning and Development, the Seattle Police Department, and Seattle Public Utilities to accept specified grants and private funding and to execute, deliver, and perform corresponding agreements.

#### ORDINANCE NO. 123405

AN ORDINANCE amending Ordinance 123177, which adopted the 2010 Budget, including the 2010-2015 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; adding new projects and revising project allocations for certain projects in the 2010-2015 CIP; creating a position; making transfers between various City funds; making cash transfers between funds; and ratifying and confirming certain prior acts, all by a three-fourths vote of the City Council.

#### ORDINANCE NO. 123406

AN ORDINANCE relating to the City's municipal golf courses; authorizing the Superintendent of the Seattle Department of Parks and Recreation to enter into a management contract with Premier Golf Centers LLC for the operation of the City's municipal golf courses located at Jefferson Park, Jackson Park, West Seattle, and Interbay; authorizing the Superintendent to set golf fees consistent with that agreement and authorizing the Department to collect such fees.

#### ORDINANCE NO. 123407

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Date of publication in the Seattle Daily Journal of Commerce, October 11, 2010.

10/11(261513)