

June 15, 2015

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution No. 8932 authorizing execution of a Facility Use Agreement for King County District Court.

FISCAL IMPACT

The City is leasing a new District Court facility at a cost of \$6.7 million over 11 years. These costs are part of the operating budget. Tenant improvements costs for the facility are included in CIP Project G-84. Choosing to be the lessee, rather than King County District Court leasing the facility directly, allows the City more control of the facility costs and the cost of tenant improvements.

STAFF CONTACT

Jerome Y. Roaché, Interim Deputy City Attorney, 452-4085
City Attorney's Office

Joyce Nichols, Intergovernmental Relations Director, 452-4225
City Manager's Office

POLICY ISSUE

Should the City enter into a Use Agreement with King County for use of the new District Court facility located at 1309 114th Ave SE, in the Bellefield Office Park?

BACKGROUND

King County currently provides District Court services to Bellevue at a City-owned facility located at 585 112th Ave SE in Surrey Downs, pursuant to Bellevue's Agreement with King County. As part of the City's agreement with Sound Transit for the development of East Link, Sound Transit needs the Surrey Downs site for project staging. The District Court will need to vacate the site by end of the third quarter in 2015 for the East Link project.

Due to the aging condition of the Surrey Downs facility, City staff had been searching out other possible alternative locations for the District Court. Once the City and Sound Transit agreed to the use of Surrey Downs as a staging site, the search for a new location intensified. Siting a District Court is quite challenging and many options did not work out. The site needed sufficient space to meet the operational needs of both the court and probation services, and the required improvements need to be affordable and sustainable.

The City was able to secure a site, known as the Bellefields Building, that can house both the District Court and Bellevue Probation. The building is located at 1309 114th Avenue SE, in the Bellefield Office Park. The location is easily accessible to major roads, highways and transit services. The parties have developed a Use Agreement for the new facility. A leased facility was determined to be the most cost effective option given the up-front costs of constructing a new facility. Council approved the site lease on February 10, 2014, via Resolution No. 8694.

The proposed Use Agreement with the County allows the District Court to operate from the new

location with no monthly facility costs. This arrangement is consistent with past practice under the District Court Services Agreement. If the City were to charge rent, the rent would be considered an operating cost under the District Court Services Agreement. Pursuant to the District Court Services Agreement, operating costs are chargeable to the City.

Under the Use Agreement, the City is responsible for the majority of tenant improvements. King County is sharing some of the consultant costs for security and information technology design work and for limited specific improvements. King County's shared tenant improvement costs are capped at \$125,000. King County is also responsible for the cost to move the District Court to the new facility and for installing and maintaining the building security system. The costs of the County improvements are approximately \$100,000. The County's financial investment in the new court's infrastructure ensures that court services will continue to be provided by the County for the remainder of the ILA.

As noted in earlier Council briefings, continuing provision of district court services by King County for an additional 5 year term, as specified in the ILA for court services, allows the City ample time to explore other court options should the Council believe it appropriate to do so. Rejection of the Use Agreement effectively means that the City would no longer use the County for court services. If this were the case, the City would be required to send notice to King County prior to June 30, 2015 informing the County of the City's intent to terminate the ILA for court services effective December 31, 2016. Terminating the Agreement would require the City to establish a separate municipal court within that timeframe.

EFFECTIVE DATE

If approved by Council, this Resolution becomes effective immediately.

ALTERNATIVES

1. Adopt the Resolution authorizing execution of the Facility Use Agreement for use of the court facility.
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATION

Option 1.

MOTION

Move to adopt Resolution No. 8932 authorizing execution of the Facility Use Agreement for use of the court facility.

ATTACHMENTS

- A. Facility Use Agreement
- B. Proposed Resolution No. 8932