



City of Bellevue

Property Management Agreement for Lincoln Center

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• Status of Proposed Agreement

- **May 17** - public RFP process; selected Azose Commercial Properties
- **Prior Council presentations** – Council requested additional information about terms
- **Tonight** – Presentation of property performance, public benefits, and management options; request Council action

Public Benefits & Performance

Public Benefits

- Strategic asset for future uses (Grand Connection)
- Affordable office space
- Men's year-round day center & emergency winter shelter

Property Performance

- Interim use
- Property pays for its operations through rents
- Revenues exceed expenditures
- Remaining funds held in reserves



Property Management Options

1. Contracted Management

- Buys expertise & depth of resources City doesn't possess
- Lower cost than in-house
- Provides flexibility as City interests change
- Vendor has access to special market tools & listing services

2. In-House Management

- Must recruit for expertise and purchase tools
- Costs approx. 3x more
- Requires extension of current vendor agreement until in place

3. Reduced Management

- Retain only CHF lease
- Lease revenue doesn't cover expenses; requires \$100k yearly subsidy
- Assumes in-house management

4. Eliminated Management

- Terminate all leases
- Assumes \$500k building demo
- Modest grounds maintenance to continue

Council Action

Request Council action on the Resolution to authorize execution of a professional services agreement with vendor