

# CITY COUNCIL REGULAR SESSION

Resolution authorizing execution of a two-year extension of the Lease Agreement between Kimschott Factoria Mall, LLC, and the City of Bellevue for the Bellevue Police Community Substation at Factoria Mall.

Toni Call, Director, 452-7863 Ira McDaniel, Real Property Manager, 452-4182 Mike Murray, Senior Real Property Agent, 452-6024 Finance & Asset Management Department

Beverly Ni, Fiscal Manager, 452-4296 *Police Department* 

# **EXECUTIVE SUMMARY**

The police substation lease at Factoria Mall is scheduled to expire on July 31, 2021. This Amendment extends the existing lease for a two-year period from August 1, 2021 through July 31, 2023, on the same terms and conditions of the existing Lease.

#### RECOMMENDATION

Move to adopt Resolution No. 9934

#### **BACKGROUND/ANALYSIS**

The goal of neighborhood police substations is to decentralize police operations into neighborhoods where officers can be more accessible to the surrounding communities. The visible presence of these small police facilities creates an atmosphere of neighborhood ownership. To address this goal, the City has occupied a substation in Factoria Mall since 1997.

The City of Bellevue currently leases 1,224 square feet of space for the community substation at the Factoria Mall. The most recent lease for the Factoria Substation was executed between the City of Bellevue and the landlord, Kimschott Factoria Mall, LLC in August of 2016, with a five-year term. Following discussions with the landlord, they have agreed to extend the lease for an additional two years on substantially the same terms as the prior lease, without a material increase in rent.

Staff from the Police Department and Finance and Asset Management Department have reviewed the proposed amendment and feel the landlord is offering a fair arrangement.

#### **POLICY & FISCAL IMPACTS**

#### **Policy Impact**

Under Bellevue City Code 4.30.020, the City Council must approve execution of real property leases that exceed two years in duration. Since this is a two-year extension of an existing five-year lease (original terms of August 1, 2016 through July 31, 2021), City Council approval is required.

# **Fiscal Impact**

Approving the extension of this lease for an additional two years will obligate the City to pay \$1,378.02 per month from August 1, 2021 through July 31, 2023 for the Bellevue Community Police Substation at Factoria Mall.

The annual lease costs are included, and sufficient funding exists in the 2021-2022 adopted Police General Fund Budget.

# **OPTIONS**

- 1. Adopt Resolution authorizing execution of a two-year extension of the Lease Agreement between Kimschott Factoria Mall, LLC, and the City of Bellevue for the Bellevue Police Community Substation at Factoria Mall.
- 2. Do not adopt the Resolution and provide alternative direction to staff.

# **ATTACHMENTS & AVAILABLE DOCUMENTS**

- A. Proposed Lease Amendment
- B. 2016 Lease Agreement

Proposed Resolution No. 9934

# **AVAILABLE IN COUNCIL LIBRARY**

N/A