

VICINITY MAP  
Scale 1" = 100'

STONE AVENUE N.

LEGAL DESCRIPTION

BEING MARK

LEGAL DATA

PLAT DATA

UTILITY DATA

LAND USE DATA

ENVIRONMENTAL DATA

ADDITIONAL DATA

NOTES

PRELIMINARY DEVELOPMENT PLAN

FOR

ELENA LANE

NOV 93 538

IN NW 1/4, NE 1/4 OF SECTION 7, T.28 N., R.4 E., WM.

CITY OF SHORELINE

KING COUNTY, WASHINGTON

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These Minutes Approved  
January 6, 2000

# CITY OF SHORELINE

## SHORELINE PLANNING COMMISSION SUMMARY MINUTES OF REGULAR MEETING

December 2, 1999  
7:00 P.M.

Shoreline Conference Center  
Board Room

### PRESENT

Chair Kuhn  
Vice Chair Gabbert  
Commissioner McAuliffe  
Commissioner Monroe  
Commissioner Marx  
Commissioner Maloney

### STAFF PRESENT

Tim Stewart, Director, Shoreline Planning & Development Services  
Allan Johnson, Planner II, Planning & Development Services  
Daniel Bretzke, Project Engineer, Planning and Development Services

### ABSENT

Commissioner Parker  
Commissioner Vadset  
Commissioner Bradshaw

### 1. CALL TO ORDER

The regular meeting was called to order at 7:00 p.m. by Chair Kuhn, who presided.

### 2. ROLL CALL

Upon roll call by the Commission Clerk, the following Commissioners were present: Chair Kuhn, Maloney, Monroe, Marx and McAuliffe. Commissioner Parker was absent, and Commissioners Bradshaw and Vadset were excused. Vice Chair Gabbert arrived at the meeting at 7:02 p.m.

### 3. APPROVAL OF AGENDA

No changes were made to the proposed agenda.

### 4. APPROVAL OF MINUTES

COMMISSIONER MALONEY MOVED TO ACCEPT THE MINUTES OF NOVEMBER 4, 1999 AS SUBMITTED (AFTER AMENDED) BY COMMISSIONER MARY. SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

COMMISSIONER MONROE MOVED TO ACCEPT THE MINUTES OF NOVEMBER 18, 1999 AS SUBMITTED. COMMISSIONER MALONEY SECONDED THE MOTION. MOTION CARRIED UNANIMOUSLY.

## 5. PUBLIC COMMENT

There was no one in the audience wishing to address the Commission during this portion of the meeting.

## 6. REPORTS OF COMMISSIONERS

There were no Commissioner reports.

## 7. STAFF REPORTS

Tim Stewart, Director of Planning and Development Services, announced that two staff members, James Holland and Lenora Blauman, have left the City. They have appointed Paul Cohen to fill one of the positions.

Mr. Stewart announced that the City Council would hold a workshop regarding Phase I of the Development Code on Monday, December 6, 1999.

## 8. PUBLIC HEARING

### a. Type C Action: Rezone and Preliminary Subdivision (Elena Lane)

Chair Kuhn reviewed the rules regarding the Appearance of Fairness. No Commissioners disclosed any *ex parte* communications concerning the subject of the hearing. There was no one in the audience who voiced a concern, either. He then reviewed the rules of the public hearing process. The public hearing was opened at 7:08 p.m.

Allan Johnson, Planner II, presented the staff report for the Elena Lane Proposal (File No. 1999-0845). He said the proposal involves two actions, the first being a rezone from the current R-6 zone to an R-12 zone. A preliminary plat for 16 lots is also proposed concurrent with the rezone request (15 for single-family homes and 1 for open space). The approximate gross density for this project is 10.5 units per acre. He explained that both requests are consistent with the Comprehensive Plan designation of medium density residential. The plat is also an appropriate type of land use. An MDNS was issued for the proposal on October 6, and the City received 12 letters from the public. There was no appeal.

Mr. Johnson reported that the primary public concerns were related to compatibility with adjacent residential development, parking and traffic, pedestrian safety, privacy and aesthetics, recreation and surface water management. He noted that the proposed conditions are intended to address these impacts. He reviewed the proposed conditions and requirements which were included in the staff report.

Mr. Stewart referred the Commission to a letter staff received from the applicant asking for changes or clarifications to a number of the proposed conditions. He apologized and said he had been told that the conditions included in Exhibit A (Page 29 of the Agenda Packet) had been reviewed and approved by the applicant. However, that was not the case, and they only received them yesterday. He suggested that the Commission review each of the concerns raised by the applicant. The first change is related to Condition 1b, regarding bio-filtration. The applicant and the City engineering staff have discussed and agreed that the condition should be changed to read, "Water quality measurements equivalent to bio-filtration shall be provided."

Mr. Stewart said the second concern is related to Condition 2 regarding the 32-foot wide roadway. The applicant has requested that it now read "24-foot paved roadway within a 31-foot right-of-way." Daniel Bretzke, Planning and Development Services Project Engineer, noted that the change would meet the road standard requirements, and staff does not object. Mr. Stewart advised that the applicant has correctly noted that the proposal is for a curb, gutter and sidewalk on one side of the street, and not both sides (Condition 3). That was previously agreed to between the applicant and the staff.

Mr. Stewart said that regarding Condition 5, the applicant has requested that the 1995 King County standard be applied rather than the 1998 standard. Staff objects to this change because the SEPA determination (Page 35 of the Agenda Packet) states clearly that the 1998 manual shall be used. That condition was not appealed so the SEPA decision would stand and the 1998 manual would be the standard.

Mr. Stewart said the applicant has requested that Condition 6 be changed because the site plans do not include streetlighting. Staff suggests that the condition be changed to read, "That the developer shall provide and install streetlighting." In response to a concern raised by a Commissioner, Mr. Stewart suggested that the condition require the applicant to provide a streetlighting plan.

Mr. Stewart reported that the applicant has asked that Condition 11 be changed by inserting the word "generally" between "shall" and "control." However, staff does not agree with that request because there is sufficient latitude to amend within the current regulations. While they understand that these are not building plans, they want to make sure that what they approved is what is actually built.

Mr. Stewart said the applicant has recommended a clarification for Condition 16, and staff concurs. The applicant also suggested that Condition 18 is redundant with Condition 6 and should be deleted. The staff concurs with that request, also.

Commissioner McAuliffe inquired regarding the difference between the 1995 and 1998 King County Surface Water Design Standard. Mr. Stewart answered that the 1998 standard is more stringent and addresses the issue of quality significantly more than the old standard. Mr. Bretzke added it is a lot more accurate in methodology and allows more ways for an applicant to meet the water quality standards. It is very similar to what the state would be passing for the 2000 Department of Ecology Manual. He said that staff would likely propose something similar to the 1998 version to be the standard for the development code that will be reviewed soon.



Steven Michael Smith, Lovell-Sauerland & Associates, 19400 33<sup>rd</sup> Avenue West, Suite 200, Lynnwood, Washington 98036, said he has been retained by Viking Properties for representation through the design and negotiations of this project. He swore that his testimony would be the truth. Mr. Smith said they are satisfied with the overall conditions as outlined and amended by the staff. In regards to Condition 5, Mr. Smith agreed with staff that because the 1998 stormwater manual was identified in the SEPA determination and they did not appeal, they are unable to make that change now. However, the drainage report was prepared according to the 1995 manual, which is the officially adopted drainage standard that Shoreline currently uses.

While they do not necessary disagree with the staff's recommendation for Condition 11, Mr. Smith said the reason they requested the addition of the word "generally" is that this is a preliminary subdivision. They do intend to substantially build the project that is before them at this time, but the applicant is concerned that if Condition 11 is not changed he will be unable to make minor changes to the floor plans of the home, etc. Chair Kuhn suggested that instead of adding the word "generally," they could use the word "substantially." Mr. Smith concurred.

Commissioner McAuliffe inquired regarding the approximate square footage of the homes and the estimated retail value.

Eric Sundquist, Edmonds, Washington, swore to tell the truth. He said that the current plan is that the homes be between 1,300 to 1,500 square feet in size. He estimated that they would sell for between \$225,000 and \$240,000. He said he has received recent requests from potential customers who would like larger homes (up to 1,800 square feet). That is why he would like to retain the ability to change the floor plan of the homes. He noted that the building footprints would stay basically the same.

Rod Anderson, 18021 Ashworth Avenue North, said he lives on the southeast corner of the development. He swore to tell the truth. He questioned why they are rezoning the property when it appears that the appropriate density has already been achieved. He said he is against the rezone because it would double the density of the property. He also expressed concern about water runoff from the development.

Rosalind Bates, 18027 Ashworth Avenue North, swore to tell the truth. She said she is against the proposed rezone that would double the density. She also expressed concern about the potential water runoff problems. She felt the proposed development would bring down the existing neighbors' property values. She questioned whether the citizens even have a say in the matter.

Lloyd Wales, 18031 Ashworth Avenue North, swore to tell the truth. He expressed concern about the runoff from the subject property that slopes towards Ashworth Avenue North. The residents living in the cul-de-sac on Ashworth Avenue North already have a water problem. He said he is also opposed to the increased density proposed in the rezone request.

Gordon Swan, 18037 Ashworth Avenue North, swore to tell the truth. He said he is adjacent to the slope that comes from the subject property, and they currently experience significant water problems. He expressed that the proposed project would only increase these problems, and he questioned how the water runoff would be treated and drained off site. He said he would like the site to be developed with fewer homes.

Leslie Swan, 18037 Ashworth Avenue North, swore to tell the truth. She said that while they expected the subject property to be developed at some point, she is against the increase in density. She also expressed a concern about the drainage problems that would only be increased.

Judith Chandler, 18016 Stone Avenue North, swore to tell the truth. She said she lives right next to the subject property. She suggested that the number of houses that are going in is obscene. As a result of the loss of trees and grass and the glacial till and sinkhole problems that exist, the drainage issues need to be addressed. She suggested that there would be a huge amount of toxins from the building site going into the water. Traffic and noise will also be increased significantly. She requested further information as to how the required sidewalk along Stone Avenue would encroach upon her property.

Brian Lee, 18018 Stone Avenue North, swore to tell the truth. He agreed that water is a huge problem. His existing filtration system consistently overflows, and no matter what drainage system is put in, there will be a runoff problem. The solution is to not overbuild. He said he is against the increase in density that is being proposed.

Martin Kral, 1317 North 183<sup>rd</sup> Street, swore to tell the truth. He noted that the traffic study does not accurately depict the needs of the neighborhood. He urged the Commission to commit the builder to the 1998 King County drainage requirements to protect the residents living down stream. He also questioned whether the proposed fence and vegetation would provide adequate privacy to the surrounding property owners.

Daniel Mann, 17920 Stone Avenue North, swore to tell the truth. He reminded the Commission that one of the framework goals of the Shoreline Comprehensive Plan was to promote quality building and development that is compatible with the surrounding environment. He suggested that doubling the density on the subject property is incompatible with the surrounding neighborhoods. He also expressed his concern regarding the increase in drainage problems. He said he would support a development of eight to ten homes, and that would be consistent with the existing neighborhood.

Colleen Holbrook, 1361 North 180<sup>th</sup> Street, swore to tell the truth. She said she is opposed to the rezone request. She suggested that the applicant be required to develop according to the current zoning designation.

Walt Hagen, 711 North 193<sup>rd</sup> Street, swore to tell the truth. He said he doesn't live near the proposed development, but all citizens share the City's surface water problems. Whatever is done upstream from Ronald Bog impacts that bog. The City must resolve that problem. He also pointed out that most of the trees would be removed if the project were approved.

Penny Wales, 18031 Ashworth Avenue North, swore to tell the whole truth. She emphasized the water problems that have been addressed by the previous public testimony. She questioned the impact to the existing peaceful neighborhood if the project is approved.

Mr. Smith said that it appears that a major public issue seems to be related to the stormwater drainage. He described the plans for stormwater detention and drainage. He pointed out that many of the existing stormwater problems would be improved as a result of the proposed development. Commissioner

Monroe inquired how the detention vault would be maintained. Mr. Smith answered that the detention vault does not require a lot of maintenance, but there are manholes on either end for maintenance of the inlet and outlet structures. The bio-filtration vault will be maintained by the company that provided the system through a maintenance agreement. Commissioner Monroe suggested that there would be sedimentation in the bottom of the detention vault gradually filling it so that it doesn't hold water. Mr. Smith answered that periodic maintenance would be insured by the covenants and restrictions filed with the final subdivision.

Mr. Smith said that the current zoning does not comply with the Comprehensive Plan, and that is why they are requesting a rezone. He recalled that the Growth Management Act requires urban areas to increase their densities, and the Council adopted a Comprehensive Plan that slates the subject property as medium density residential. The current R-6 zoning does not comply with that, and a rezone would bring the property into compliance with the Comprehensive Plan.

Mr. Smith recalled that Mr. Swan indicated that the applicant's environmental checklist was incorrect related to the soils report. Mr. Smith said they use the Department of Agriculture Soil Conversation Manual to make this determination. There will be a geotechnical study completed on this project before development starts, and that should take care of any potential sinkhole problems that may exist.

In response to Ms. Chandler's concern regarding sinkholes and toxic runoff during construction, Mr. Smith said that Washington State Department of Ecology regulates construction practices through their Best Management Practices Manual.

Mr. Stewart clarified Mr. Kral's comments regarding the rezone application. He noted that this is not a contract rezone, so there is no built-in expiration date. If the rezone application is approved, the zoning on the property will immediately change. The subdivision approval will come later. Regarding the concerns related to Ronald Bog, Mr. Stewart said the proposed stormwater drainage system would likely improve that situation.

Mr. Stewart pointed out that the Comprehensive Plan land use designation would actually allow townhouse style development on the subject property. The applicant does not feel this is the best solution and that single-family development would be better. He said the applicant has worked hard to meet all of the requirements of the City.

Vice Chair Gabbert inquired if the drainage system was designed for a 50-year storm or a 100-year storm. Mr. Smith said it is designed for a 100-year storm. According to the King County Surface Water Manual, this project was not technically required to provide any detention. When the plans were originally submitted, it became obvious that since there was a documented downstream problem, they would need to provide some sort of detention system to minimize the impacts to Ronald Bog. They have provided more than what is actually required by the code.

Commissioner Marx inquired why the applicant has not met with the neighbors upon their request. Mr. Sundquist said that before he made an application to the City for the project he sent out two letters to all the neighbors within 500 feet. Many people did call him and ask questions, and Mr. Kral did write him a letter that he responded to by trying to mitigate the impacts mentioned in the letters. He said he did his

best to reach out to the neighbors. He said he received Mr. Kral's last letter while he was on vacation about two weeks ago. At that late date, he felt it was too late to make any major design changes.

THE PUBLIC PORTION OF THE HEARING WAS CLOSED AT 8:30 P.M.

Commissioner McAuliffe inquired if the City staff concurs with the applicant that the drainage situation will improve. Mr. Bretzke said he agrees that it will improve.

Commissioner Monroe said that every time there is a public hearing regarding a rezone, the issues of neighborhood character and stormwater runoff seem to be very important. The applicants always say that their proposed stormwater system would be effective. In his experience and research related to stormwater drainage systems he has found that vaults work well until they fill up. He said the area is predicted to have very wet winters, and he can see how flooding problems can and do occur. What the developer is offering is a reasonable proposal, but the Commission should pay attention to the existing neighborhoods where these developments are taking place. He said that the neighbors who are present do not oppose the development, but they would like less density. He said he sees that as meeting the developer half way. While he can't say that he is against the application, he can say that he feels strong support for the existing neighbors.

Commissioner Maloney agreed with Commissioner Monroe that they need to pay more attention to the neighborhood concerns. He said the Comprehensive Plan numbers that were theoretically imposed on the City force them to designate some areas for more density, and they knew that the neighborhoods impacted by the increased density would not be happy. He said he agrees with the public that, in this particular case, it is not appropriate to change the character on the east side of the street.

Commissioner Marx said she visited the site and reviewed the City's zoning map because she was concerned about the proposed increase of density. She felt it would be easier to accept if the proposal was for townhouses or duplexes because that gives the outward appearance of a larger house on a larger lot. The appearance of a neighborhood does make a difference. Townhouses would also allow more open space. She said she is concerned that the proposal does not fit with the character of the surrounding neighborhood. She agreed that the drainage management plan proposed would help the immediate area, but it does nothing to help recharge the ground water, where a bio-swale would have more of an impact.

Vice Chair Gabbert said he would be in favor of the project with certain modifications. He said he, too, is concerned about the density. He maintained that just because 12 units per acre are allowed, concern should be shown to the existing neighborhoods. He said he is against the small lots, but he was also in favor of increasing the density along the Aurora corridor and off into the adjacent neighborhoods. He said that to speak against the proposal would be inconsistent with his belief that the density along the corridor should be increased. The proposed zoning does meet the intent of the Comprehensive Plan, and surface water management is being handled in a much better way than the existing natural conditions. Regarding the issue of traffic impacts, Vice Chair Gabbert recalled that there have been more dense developments than this that have handled traffic appropriately.

Commissioner McAuliffe said he shares many of his fellow Commissioners' concerns. However, the Comprehensive Plan has indicated that this area should be medium density. The Commission must



either approve the request or not, but denying the request would invalidate their work on the Comprehensive Plan. The proposed development would not diminish the value of the homes. He said he also believes that the stormwater runoff situation would improve. He said he, too, would prefer to see fewer houses. But in light of the Comprehensive Plan and the mitigation efforts that the applicant has gone through, he would support the proposal.

Chair Kuhn said the Commission worked on the Comprehensive Plan for five years. The final resolution was that the east side of Stone Avenue North should be medium density. Townhouses and duplexes are envisioned in that medium density, but so are single-family, small lot houses. The City's long-range plan specifies that this property be medium density, and the current zoning does not comply with that designation. There was plenty of opportunity before the Comprehensive Plan was adopted to provide input regarding the density that was finally adopted. He reminded the Commission that the Comprehensive Plan can only be amended once a year. The proposal is in compliance with the Comprehensive Plan, and the issues of runoff seem to be handled adequately. Duplex and townhouses will not change the density, traffic, number of people, etc. He said he would vote for approval of the application with the particular changes that were discussed at the beginning of the hearing.

COMMISSIONER MCAULIFFE MOVED TO ACCEPT THE STAFF'S RECOMMENDATION TO REZONE THE PROPERTY TO R-12.

Chair Kuhn suggested that Commissioner McAuliffe's motion be more specific to address the conditions that were amended by the staff as requested by the applicant.

COMMISSIONER MCAULIFFE AMENDED HIS MOTION TO BE SUBJECT TO THE STAFF'S RECOMMENDATIONS AND CONDITIONS AS AMENDED.

Chair Kuhn reviewed the following proposed changes to the staff's conditions.

- Change Condition 6 to read: "Developer is to provide and install non-glare streetlighting in accordance with a lighting plan approved by Planning Development and Services."
- In Condition 11, insert the word "substantially" between "shall" and "control."
- Delete Condition 18 because it is redundant with Condition 6.

CHAIR KUHN SECONDED THE MOTION. MOTION FAILED 2-4 WITH CHAIR KUHN AND COMMISSIONER MCAULIFFE VOTING IN FAVOR AND COMMISSIONERS MARX, MALONEY, MONROE AND VICE CHAIR GABBERT VOTING IN OPPOSITION.

COMMISSIONER MONROE MOVED TO APPROVE THE IDENTICAL MOTION THAT WAS MADE BEFORE BUT LIMIT THE NUMBER TO EIGHT HOUSES. COMMISSIONER MALONEY SECONDED THE MOTION.

Mr. Stewart questioned the legal appropriateness of the proposed amendment. He clarified that if it is the Commission's desire to allow eight homes on the site then a recommendation of denial would accomplish that.

COMMISSIONER MONROE WITHDREW HIS MOTION.



Mr. Stewart summarized that the Commission's options include a recommendation for either approval or denial of the proposal or a recommendation for approval of a less intense zone.

Vice Chair Gabbert suggested that the Commission is being inconsistent by limiting the number of units on the proposed zone based upon past actions. This zoning is what the Comprehensive Plan provides. Commissioner Maloney said he considers the rezone application to be a discretionary request, and the Comprehensive Plan is a guideline and not a mandate. Mr. Stewart pointed out that the Comprehensive Plan states that an appropriate zoning designation for medium density residential would be R-8 or R-12. It would be his opinion that an R-6 classification is not in conformance with the plan, but an R-8 classification would be.

COMMISSIONER MALONEY MOVED TO APPROVE AN R-8 ZONING CHANGE FOR THE SUBJECT PROPERTY.

Chair Kuhn noted that the applicant has not agreed to a rezone for R-8, and he did not think it would be appropriate for the Commission to dictate what happens to the property absent a specific request from the applicant.

MOTION FAILED

COMMISSIONER MALONEY MOVED TO RECOMMEND THE CITY COUNCIL DENY THE ELENA LANE REZONE AND PRELIMINARY REAT APPLICATION AS PROPOSED. COMMISSIONER MONROE SECONDED THE MOTION. MOTION CARRIED 5-1, WITH COMMISSIONER MCAULIFFE VOTING IN OPPOSITION, AND COMMISSIONERS MALONEY, MONROE, CHAIR KUHN AND VICE CHAIR GABBERT VOTING IN FAVOR.

#### **9. UNFINISHED BUSINESS**

There were no unfinished business items scheduled on the agenda.

#### **10. NEW BUSINESS**

There was no new business scheduled on the agenda.

#### **11. AGENDA FOR NEXT MEETING**

The Commission reviewed the agenda for December 16, 1999. Commissioners Maloney and Monroe indicated that they would not be present. The Commission Clerk was directed to poll the Commissioners during the week to determine if there would be a quorum present on December 16, 1999.

#### **12. ADJOURNMENT**

The meeting was adjourned at 9:05 p.m.

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Dan Kuhn  
Chair, Planning Commission

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Suzanne M. Kurnik  
Clerk, Planning Commission

Shoreline Planning Commission Minutes  
December 2, 1999 Page 10

ORDINANCE 228 (Alternate Version)

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON AMENDING THE CITY'S ZONING MAP TO CHANGE THE ZONING OF A 1.4 ACRE PARCEL LOCATED AT 18034 STONE AVENUE FROM R-6 TO R-8**

**WHEREAS**, the subject property, described as Elena Lane, located at 18034 Stone Avenue, is designated on the Comprehensive Plan as Medium Density; and

**WHEREAS**, the owners of certain property located at 18034 Stone Avenue North have filed an application to reclassify the property, which is comprised of approximately 60,462 square feet, from R-6, Residential – 6 units per acre, to R-12, Residential – 12 units per acre; and

**WHEREAS**, on December 2, 1999, a public hearing on the reclassification application was held before the Planning Commission for the City of Shoreline pursuant to notice as required by law; and

**WHEREAS**, on December 2, 1999, the Planning Commission recommended denial of the reclassification application and entered findings of fact and a conclusion based thereon in support of that recommendation; and

**WHEREAS**, the City Council concurs with the findings and conclusions of the Planning Commission, and finds that reclassification of said property to R-8 is consistent with the Comprehensive Plan and appropriate for this site rather than the R-12 zoning proposed by the owner; and

**WHEREAS**, the City has complied with the requirements of the State Environmental Policy Act (SEPA) and the City's SEPA procedures.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DO ORDAIN AS FOLLOWS:**

**Section 1. Findings.** The Planning Commission's findings in its Findings and Recommendation on File #99-0845 as set forth by the Planning Commission on December 2, 1999, and as attached hereto as Exhibit A, are hereby adopted to recommend denial of the Reclassification of Property to R-12 with the following additional conclusion:

- A. III. Conclusions #9: The Reclassification of Property to R-8 is consistent with the Comprehensive Plan land use designation and policies for Medium Density Residential areas and with policies that call for compatibility with existing development and neighborhood character.

**Section 2. Amendment to Zoning Map.** The official zoning map of the City of Shoreline, adopted by Ordinance No. 125, is hereby amended to change the zoning classification for the parcel, more fully described below and depicted in Exhibit B attached hereto, from R-6 to R-8.

Lots 9 and 10, Block 4, Richmond Acres, according to the plat thereof, Recorded in Volume 24 of Plats, Page 25, in King County, Washington

**Section 3: Preliminary Plat:** The Preliminary Plat shall be remanded to the Planning Commission for reconsideration consistent with the provisions of the R-8 (Residential – 8 unit/acre) Zone provided a revised Plat is submitted within 90 days of adoption of this ordinance.

**Section 4: Severability.** If any provision of this ordinance or the application of a provision to any person or circumstance, is declared invalid, then the remainder of this Agreement, or the application of such provision to other persons or circumstances, shall not be affected.

**Section 5: Effective Date and Publication.** This ordinance shall go into effect five days after passage, and publication of the title as a summary of this ordinance.

**PASSED BY THE CITY COUNCIL ON FEBRUARY 14, 2000**

\_\_\_\_\_  
Mayor Scott Jepsen

ATTEST:

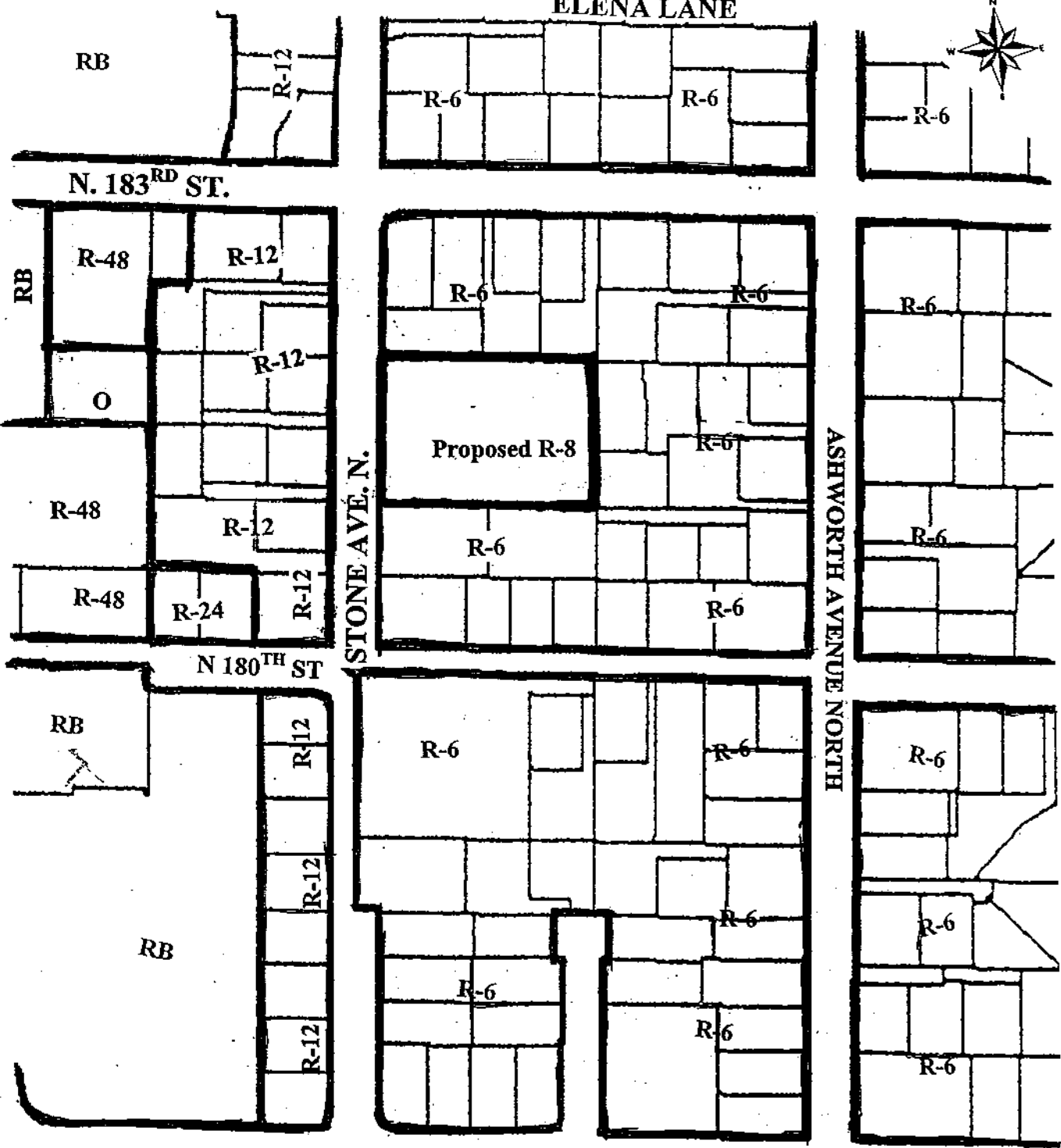
\_\_\_\_\_  
Sharon Mattioli  
City Clerk

\_\_\_\_\_  
Ian Sievers  
City Attorney

Date of Publication: \_\_\_\_\_, 2000  
Effective Date: \_\_\_\_\_, 2000

VICINITY ZONING MAP

SHOWING REZONE FOR  
ELENA LANE



ZONING KEY

R-6:	Residential - 6 units/acre	R-48:	Residential - 48 units/acre
R-12:	Residential - 12 units/acre	O:	Office
R-24:	Residential - 24 units/acre	RB:	Regional Business

Parcel, topo, building, street network, aerial photo image data, as applicable, copyrighted by City of Seattle, 1999. All rights reserved.

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Map not to scale



City of Shoreline  
Department of Planning  
and Development Services



**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	<b>Motion to Approve Design Services Contract #1 with OTAK Inc. for the Interurban Trail project.</b>
<b>DEPARTMENT:</b>	<b>Public Works</b>
<b>PRESENTED BY:</b>	<b>William L. Conner, Public Works Director <i>wlc</i></b>

**EXECUTIVE / COUNCIL SUMMARY**

The purpose of this report is to obtain your Council's approval to contract with OTAK Inc. for the first package of professional design services for the Interurban Trail project. On December 13, 1999, your Council approved the 2000 - 2005 Capital Improvement Program (CIP) that includes the Interurban Trail.

Staff prepared a Request for Proposals (RFP) and received eight responses. Interviews were conducted with three firms identified through staff evaluations of submitted proposals. Based on overall qualifications and experience, staff selected OTAK Inc. as the most qualified firm. OTAK Inc. has an excellent understanding of the project issues, has a proven track record of designing trail projects, is considered a leading firm in design of pedestrian and bicycle transportation projects, and has demonstrated effective public involvement experience.

Staff negotiated a contract with OTAK Inc. (see Attachment A) for an amount not to exceed \$483,000 to provide the following services:

• Project Coordination and Management	\$39,000
• Surveying and base mapping for the entire project length	\$43,000
• Community Involvement – newsletter/meetings/Council materials	\$47,400
• Preliminary Design – refine alternative/cost estimates/retaining wall size and locations/drainage analysis	\$109,500
• Environmental analysis for the entire project – SEPA checklist/ Surface Water Technical memorandum/wetlands assessment/ Reconnaissance Biological Assessment/Permit applications	\$120,000
• City of Shoreline Management Reserve	\$42,000
• Soils investigation/reimbursable expenses/utility locates/ review of existing data/other related tasks	\$82,100
	<b>Total \$483,000</b>

Subsequent design packages to complete the Interurban Trail design effort will be contracted in 2001.

Funding for this project has been obtained from various sources that include the Roads Capital Fund, TEA -21 Enhancement Program, and funding from other agencies

desiring to participate in this project. In 2000, a total of \$1,155,000 of revenue sources are incorporated in the City's Capital Improvement Program.

At this time, staff estimates awarding the first construction contract in mid-late 2001, to build the trail's south segment from North 145<sup>th</sup> to North 155<sup>th</sup> Streets. Staff will return to your council in early 2001 to award Phase II design which will result in final engineered plans and construction documents for the 145<sup>th</sup> Street to 155<sup>th</sup> Street trail segment. Subsequent segments are scheduled for construction from 2002 – 2005, subject to availability of funds.

#### **RECOMMENDATION**

Staff recommends that your Council authorize the City Manager to execute this Agreement for Design Services #1 for the Interurban Trail with OTAK, Inc., in the amount not to exceed \$483,000.

Approved By: City Manager LB

City Attorney 

## BACKGROUND / ANALYSIS

During the late 1980's, the King County Parks Department was the lead agency responsible for initiating a study to explore options to design the trail. The County retained the services of an architect firm, Jones and Jones Architects and Landscape Architects, to prepare the study. King County staff and the consultants conducted three neighborhood workshops, and a general public meeting in October 1991. Other meetings were also held with the Chamber of Commerce and other interested groups to gather input for the study.

In April 1992, Jones and Jones issued a pre-design report of the trail project. The report recommended alignment and design concepts for the three-mile long trail along with cost estimates for each section of the trail. The trail design calls for approximately 1/3 of the system to be along streets and the remaining sections to utilize the Seattle City Light (SCL) right of way. The typical trail section within the SCL right of way is shown in Attachment B of this report. This report has served as the basis for all design and construction grants related to the Interurban Trail. The current contract will build on the Jones and Jones work and will result in final location, cross section, fencing types and other amenities, as well as construction costs estimates. The public outreach will also focus on two areas left out of the Jones and Jones Study 1) the trail alignment between N. 195<sup>th</sup> Street and N. 200<sup>th</sup> Street and 2) the trail alignment between North 175<sup>th</sup> Street and North 188<sup>th</sup> Street.

In 1994/95, King County applied for Federal Intermodal Surface Transportation Efficiency Act (ISTEA) funds and was awarded \$359,000 in Congestion Management Air Quality (CMAQ), and \$30,000 Surface Transportation Program/Urban (STP/U) funds to design the trail. King County identified Open Space funds (\$222,543) and Real Estate Excise Tax (REET) funds as a match for the grants (\$71,447). King County has transferred a total of \$682,990 to the City of Shoreline.

In 1998 your Council adopted a franchise agreement with SCL that included a provision that allowed the City and SCL to jointly cooperate on the development of the trail. Prior to taking steps to cooperate with SCL, the City requested that it be designated the lead agency for the design and development of the trail.

On June 28, 1999, your Council approved a report that outlined steps necessary to transfer the Interurban Trail project along with the design funds from King County to the City of Shoreline. The following steps were completed by the City to initiate the transfer of the Interurban trail project to its jurisdiction:

- Amended the 1997 King County/City of Shoreline Parks and Recreation Interlocal Agreement (Resolution #133) to change the lead responsibility for the Interurban Trail from King County to the City of Shoreline.
- Authorized the City Manager to sign an Interlocal Agreement accepting \$93,543 of the King County Open Space Reimbursement funds.
- Authorized the City Manager to sign a joint cooperation agreement accepting \$71,447 of the King County Real Estate Tax funds.
- Transferred the agency lead status change through the Puget Sound Regional Council that allowed the City of Shoreline to expend the federal funding awarded for the design. The federal funds included \$359,000 from the Congestion Management Air Quality program (CMAQ), and \$30,000 from the Surface Transportation Program/Urban (STP/U) program for a total grant budget of \$389,000.

- Authorized the City Manager to sign funding agreements with the Federal and State government related to the receipt and expenditure of grant funding.
- On October 11, 1999, King County approved the City's request to transfer the trail project along with available funding.

Since your June 28, 1999 meeting King County has transferred an additional \$129,000 from their Open Space Bond Fund

Additional funding of this project includes \$1,781,394 in Federal funds. These funds are for the final design effort and construction of the south, south central, and north segments. The North 175<sup>th</sup> Street to North 188<sup>th</sup> Street segment is not funded for final design or construction at this time. City staff is actively pursuing additional funding.

### **Consultant Selection Process**

In accordance with your Council's direction, staff sent out a Request for Proposals (RFP) to solicit proposals from qualified firms to design the Interurban Trail project. Staff received eight proposals and reviewed them based on their experience, the project manager's experience, their in-house quality control measures and public involvement experience. Staff scored each of the firms and selected three firms for formal interviews.

The three firms included OTAK Inc., KPG and KPFF Engineers. The firms were then invited to make a short presentation to review their understanding on the following:

- Their understanding of the project
- Their approach to the project
- Their in-house quality control techniques
- Their approach for effective public involvement

Based on staff's review methodology, OTAK Inc., is the best-qualified firm to design the Interurban Trail project. OTAK Inc. has an excellent understanding of the project issues and has a proven track record of designing trail projects, is considered a leading firm in designing pedestrian and bicycle transportation projects, and has demonstrated effective public involvement experience. In addition, OTAK Inc. has teamed with CH2MHILL to provide design expertise for the proposed grade separated crossing of the Aurora Avenue project and to assist in analyzing alternatives in the highly sensitive area between North 175<sup>th</sup> Street and North 188<sup>th</sup> Street. CH2MHILL is the City's consultant for the design of the Aurora Avenue project. Staff has negotiated a contract with OTAK Inc. not to exceed \$483,000. The consultant will submit monthly billings and will be paid upon verification of work. The work of the consultant will not exceed the maximum amount payable unless the City of Shoreline has issued prior written approval.

### Schedule

The following schedule (Table 1) was developed to provide an overview of the engineering plans for the entire Interurban Trail project.

**Shoreline Interurban Trail  
Table 1**

Task	South Segment	South – Central Segment	North – Central Segment	North Segment
Surveying				
Aerial Mapping	2000	2000	2000	2000
Final Mapping	2000	2001	2001	2001
Public Involvement	2000	2000	2000	2000
Preliminary Design	2000	2000	2000	2000
Environmental Analysis	2000	2000	2000	2000
Final Design –Plans Specifications and Estimates	2001 early	2001	2001	2001
Advertisement, Bidding & Award	2001 early/mid	2002	Not funded at this date	2002
Construction Administration	2001 mid/late	2002	Not funded at this date	2002

**Note: Bold areas will be performed under this contract.**

The four trail segments are identified in Attachment C of this report.

### Citizen Involvement

The Interurban Trail project will include a high level of citizen involvement. Staff is recommending a five pronged approach.

- ◆ Project newsletters and updates on the City's Web site
- ◆ Presentations to the Parks, Recreation and Cultural Services Advisory Committee
- ◆ Public Open Houses
- ◆ Technical Advisory Committee

These are explained below:

#### Newsletters:

Five project newsletters will be sent out periodically for the duration of the project. The newsletters will give citizens updates on the project's goals, schedule and progress as well as invite them to public meetings. The City's Web Site will also contain this information and be updated as needed. Project newsletters will be sent to adjacent property owners, neighborhood officers, citizens involved with the Aurora Avenue public process and other interested parties. We will utilize "Currents" and the Shoreline Enterprise to announce meetings and project updates.



The Parks, Recreation and Cultural Services Advisory Committee (PRCS Committee)

The PRCS Committee has expressed an interest in the project and the Parks, Recreation and Cultural Services Department will maintain the trail. The PRCS Committee's input will be valuable in developing a trail that will be easy to maintain and addresses both recreational, as well as transportation needs in the City. This committee will assist staff and the Technical Advisory Committee in integrating the Trail design into the character of the neighborhoods. It is estimated staff will meet with the PRCS Committee up to four times. At these meetings, staff will bring forward trail issues/options and Open House results.

Technical Advisory Committee

The Technical Advisory Committee (TAC) will consist of City Staff, Seattle City Light staff, the City of Edmonds staff and members of the region - wide Interurban Committee. The TAC will address the more technical aspects of the design. Their role is to insure proper coordination between the City and Seattle City Light, insure quality control as the design plans develop. The TAC will meet up to six times, and with joint PRCS committee meetings as needed.

Public Meetings

Three public meetings will be held to inform citizens of the project status, present preliminary drawings and meet and discuss their concerns with staff, a PRCS committee liaison and members of the TAC. Public meetings are also opportunities for staff and residents to meet one on one and address specific concerns.

The meetings will be presentation/open house formats where initial goals and objectives related to the project will be presented. Ideas, concerns and preferences will be discussed. When appropriate various options and alternatives will be discussed and evaluated. Alternatives will be presented to City Council for their review and approval.

City Council

Staff will provide project status reports and request your Council's direction after alternatives have been developed. Your Council will also be asked to approve the consultant contract for final design in 2001.

**RECOMMENDATION**

Staff recommends that your Council authorize the City Manager to execute this Agreement for Design Services #1 for the Interurban Trail with OTAK, Inc., in the amount not to exceed \$483,000.

**ATTACHMENTS:**

Attachment A- Scope of Work  
Attachment B- Typical Cross Section  
Attachment C - Vicinity Map

# **Attachment A**

## **Scope of Work**

**Exhibit B1  
City of Shoreline  
Interurban Trail  
Scope of Work**

*Basic Services*

**1.0 Project Coordination and Management**

**1.1 Coordination with City of Shoreline**

Otak will coordinate execution of the project with the City of Shoreline project manager and City staff. Otak will prepare agendas and meeting minutes as appropriate for coordination meetings, and generally assist in scheduling meetings, reviews, and other coordination activities as required.

**1.2 Coordination of Subconsultants**

It is understood that the project team management and coordination is the sole responsibility of Otak. Subconsultant activities shall be scheduled and directed as necessary by Otak; their management will not be a responsibility of the City of Shoreline.

**1.3 Coordination with Technical Advisory Committee**

Otak will assist the City in formation of a Technical Advisory Committee (TAC) that will be present during the duration of the project. It is anticipated that the TAC will meet approximately six (6) times during the course of the project, and will meet jointly with the Citizens Advisory Committee (CAC) at least during the design charrette. The role of the TAC in the project will be to advise the City and Project Team on technical matters related to the project. Membership in the committee should include representatives of Seattle City Light, City of Seattle, King County, City of Edmonds, Community Transit, King County Metro Transit, Puget Sound Regional Council, Washington State Department of Transportation, Shoreline Water and Sewer District, Shoreline Fire Department, and Shoreline Police Department.

Otak will assist in formation by working with City staff and others as determined by staff to identify prospective candidates for the TAC. Once candidates have been identified, Otak will contact the candidates, invite them to serve on the TAC, confirm their invitations in writing, and organize the TAC.

Upon TAC formation, Otak will develop a meeting schedule for the TAC, confirm date, time and location of the meetings, and issue a TAC roster and schedule to each member. Otak will arrange for the meeting location, plan the contents of each meeting, develop any necessary graphics or other meeting exhibits, assist the City's Project Manager in conducting the meetings, take notes, and publish a set of

meeting notes within three days of each TAC meeting. Otak will essentially act as the TAC's staff for the TAC involvement in the project.

#### **1.4 Coordination with Seattle City Light**

Most of the trail alignment will be developed within Seattle City Light right of way. Otak will coordinate discussions with Seattle City Light. It is anticipated that this could involve up to three (3) coordination meetings. Otak will arrange the meetings, schedule a location, prepare agendas and prepare meeting notes. Actual meeting schedule will be determined as design development occurs, to conform with design coordination needs.

#### **1.5 Project Monitoring and Reporting**

Otak will prepare project status reports on a monthly basis to reflect progress over the last billing period and anticipated activities over the next billing period. The project status report will also discuss issues that have arisen and plans on how to resolve these issues. Budget performance and forecasting will also be presented.

### **2.0 Review of Existing Conditions and Data**

#### **2.1 Review of Previous Trail Work/Studies**

Previous studies have been accomplished within the project area. They include the *Shoreline Interurban Trail Design Report* prepared in April 1992 for King County by Jones and Jones and documentation supporting other projects and planning studies along the corridor. Otak will review the data, findings, and recommendations of these studies and incorporate this information into the proposed study as appropriate.

#### **2.2 Review of Aurora Corridor Work**

Over the last three years, the City of Shoreline has been conducting a corridor study for the Aurora/SR 99 corridor. This study has recently been adopted and will influence the Interurban Trail project, particularly in the areas around N 155<sup>th</sup> and between N 175<sup>th</sup> and N 185<sup>th</sup>. The Otak team will review the Aurora corridor work and incorporate appropriate information into the trail preliminary design.

#### **2.3 Review/Documentation of Existing Field Conditions**

The Otak project team will study the information discussed above, review base mapping, and spend about a day in the field studying the proposed corridor and its physical features. Comprehensive photo documentation and video taping will be done to serve as an office record of corridor physical features.

### **3.0 Surveying and Base Mapping**

#### **3.1 Coordination with City of Shoreline and CH2M Hill**

Otak's survey group will coordinate with CH2M Hill and the City of Shoreline upon notice to proceed. Items that require coordination include aerial mapping,

horizontal and vertical control data used by CH2M Hill for control of the aerial mapping, GIS data including right-of-way and parcel mapping, and other record data. Coordination will include up to four meetings, exchange and review of data, and planning and scheduling.

### **3.2 Horizontal and Vertical Control**

A horizontal and vertical control network will be established along the proposed trail alignment. We will densify the aerial control supplied to us by CH2M Hill to establish an adequate control network for field survey of right-of-way monumentation and occupation, supplemental topography and planimetric features, and existing utilities.

### **3.3 Aerial Mapping**

Otak will use the aerial mapping as supplied by CH2M Hill at a scale of 1 inch = 20 feet with contour intervals of two feet. We will incorporate the GIS right-of-way and parcel mapping into this base map for our use in alignment studies and preliminary design.

### **3.4 Right-of-Way and Parcel Line Mapping**

Right-of-way and critical parcel lines will need to be surveyed and resolved prior to final design of the South segment. Otak will collect the necessary record right-of-way maps, parcel maps, and surveys for the South Segment (see Figure 1). We will then perform the necessary field research required to locate existing monumentation and occupation. The existing survey monuments and occupation will be field surveyed and necessary boundary and right-of-way geometry will be resolved. A map showing the resolved existing right-of-way with adjoining parcels will be created for use in final design.

Otak will evaluate which parcels will be impacted by the proposed alignments. Title reports will be required for these parcels. Otak will prepare a list of these parcels and the City shall place the order with the title company. The City shall pay for the requested title reports.

### **3.5 Supplemental Topographic Survey and Mapping**

Ground topography will be surveyed and mapped in areas of the South Segment where aerial mapping cannot define the ground and features adequately due to vegetation or other obstacles. This data will be gathered using electronic theodolites with data collectors and then downloaded and processed in the office. It will then be transmitted to the photogrammetrist as break lines and survey points with attendant collateral labels. This data can then be processed by the photogrammetrist and the aerial map revised to reflect the additional information.



### **3.6 Utility Research, Location and Mapping**

Utility companies within the design corridor of the South Segment will be contacted and maps of their existing facilities will be obtained. At the same time as this information is being gathered, a utility locating firm will be retained to physically mark on the ground the location of all underground utility facilities that may impact this portion of the project. These marks will be field located by survey crews and the information collected will be digitally imported into the base map.

### **3.7 Preparation of Easements/Legal Descriptions (as required)**

After acceptance of final design, legal descriptions for necessary easements will be prepared for the trail right-of-way for the South Segment of the project. Additional easements may be required over various parcels for necessary drainage or other utilities. We estimate that up to ten (10) separate easements will be required for the South Segment in addition to the easement over the Seattle City Light right-of-way. A comprehensive trail right-of-way map for the South Segment will be prepared. This map will define the alignment and width of the trail right-of-way and will show the relationship of the trail right-of-way alignment to the existing Seattle City Light right-of-way, other street rights-of-way, and any private parcels that the trail crosses, or abuts.

## **4.0 Community Involvement**

### **4.1 Newsletters**

Otak will prepare five (5) newsletters over the life of the project. Anticipated newsletter topics are described below:

#### *Newsletter 1*

Newsletter 1 will be a "project kick-off" piece, identifying project team and City contacts, outlining the proposed process and community involvement program, introducing some of the existing conditions along the corridor, and announcing the first community meeting series (presentation/open house format.) It is anticipated that this newsletter will be published in March 2000.

#### *Newsletter 2*

Newsletter 2 will provide more detail about ongoing community involvement activities, descriptions of existing conditions, comments and questions from the first public workshops, project goals and objectives as determined by the CAC and TAC, more detail about existing conditions in the corridor, and an introduction to potential options and alternatives that will be considered. It is anticipated that this newsletter will be published in June 2000. This newsletter will announce the second community meeting series (workshop format.)

#### *Newsletter 3*

Newsletter 3 will present the alternatives and options being considered and the community comments and questions related to these from the July community meeting series, leading into a presentation of the preferred alternative(s) currently being developed. The newsletter will invite/encourage people to attend the September Council meeting where the preferred alternative(s) and design recommendations will be presented. It is anticipated that this newsletter will be published in late August 2000.

*Newsletter 4*

Newsletter 4 will present the preferred alternative(s) and design recommendations that are moving into the final design stage (PS&E.) The newsletter will highlight how the design responds to community and council comments and concerns. It is anticipated that this newsletter will be published in November of 2000.

*Newsletter 5*

Newsletter 5 will provide information about the project construction phase (i.e. sequencing, closures, etc.) The newsletter will also provide information about when it is anticipated that the trail will be open for use. This newsletter will be published near the start of the construction stage in 2001.

**4.2 Coordination with Community Advisory Committee**

*Formation and Organization of the Committee*

Otak will assist City staff in forming and organizing the Community Advisory Committee (CAC) for the project. Otak will use an advertising campaign coupled with specific invitations to form the committee, and then will work with City staff to identify prospects. We intend to use a selection screening process similar to that for the Aurora Study. Otak will develop a meeting schedule for the committee at the onset so that committee members can get meeting dates on committee members' calendars.

*Support of Committee Work and Facilitation of Committee Meetings*

Once the committee is formed, Otak will provide ongoing coordination and communications related to announcing meetings, recording meeting minutes, and other project activities. Otak will provide notices of meetings, prepare agendas, send out minutes, and conduct/facilitate the meetings. It is anticipated that there will be six CAC meetings over the life of the project. Otak will provide meeting refreshments and other resources, tools, equipment, and presentation materials needed for the meetings.

**4.3 Open Houses/Workshops**

Otak will coordinate and facilitate three community meetings during the course of the project. Otak will assist the City staff in identifying appropriate locations for the meetings and coordinating those locations. Otak will prepare meeting

announcements, press releases, flyers, and work with the City to distribute these through existing newsletters and community mailing lists. Otak will prepare three sets of materials for the three community meetings, including agendas, hand-outs, work sheets, and other "leave-behind" materials as well as presentation boards. Otak will provide meeting refreshments, and other resources, tools, equipment, and presentation materials needed to conduct the meetings. Community meeting presentation topics and work formats will be as follows:

*Community Meeting 1*

This meeting will be a combination presentation/open house format where initial goals and objectives related to the project will be presented, as well as information about the process and schedule for completing the project. The project team and CAC members will be introduced. Existing conditions along the trail corridor will be presented, and "very early stage" ideas and options being considered for the trail will also be introduced. It is anticipated that this meeting will be held in April or May 2000.

*Community Meeting 2*

This meeting will be a workshop format where alternatives and options being considered for the trail are discussed and the community is asked to fill out a worksheet to express their ideas, concerns, and preferences related to these alternatives and options. Depending on the number of meeting attendees, we may divide up into multiple groups to facilitate getting input on the worksheets. Information gained from these workshops will be presented to Council along with the recommendations of the TAC and CAC (when the design recommendations are presented for authorization to proceed into final design in September of 2000.) It is anticipated that this meeting will be held in July of 2000.

*Community Meeting 3*

This meeting will be a presentation/open house format. The recommended design for the entire trail corridor will be presented, along with information about the final design and construction schedule for the project (i.e. phasing/sequencing, etc.) It is anticipated that this meeting will be held in 2001.

**4.4 Council Presentations**

Otak will prepare packets and presentation materials for City Council review. Otak will attend and assist City staff in presenting project information at three (3) Council meetings during the course of the project. The three meetings are anticipated to be: July of 2000 to present options and ideas being considered; September or November of 2000 to present preferred alternative(s) and design recommendations to go forward with in final design; and early 2001 to brief the Council on the final design at approximately the 50% stage of final design (PS&E.)

## **5.0 Preliminary Design**

Otak will develop preliminary design for the entire length of the Interurban Trail within the City of Shoreline, from North 145<sup>th</sup> Street to North 205<sup>th</sup> Street (see Figure 1). The preliminary design document will cover the total length, and will not be broken into segments as will the construction documents. The preliminary design effort will include review of existing information, establishment of design standards, review of historical elements, consideration of other regional interurban trail design elements, connections to other facilities, development of alternatives, the interrelationship of the Interurban Trail with Aurora, development of comparative cost estimates, development of bridge and retaining wall type size and location (TS&L) studies, preferred alternative selection, preliminary drainage analysis, draft and final design reports, and development of a budget level cost estimate for the preferred alternative. The purpose of the preliminary design phase is to develop alternatives, analyze the alternatives, and select a preferred alternative. Following is a more detailed description of the various subtasks within the overall preliminary design task.

### **5.1 Review and Establishment of Design Standards**

Otak will assemble and summarize information relative to design standards for the project. Sources of information will include the new AASHTO Bikeway Design Standards, Manual on Uniform Traffic Control Devices (MUTCD), WSDOT Highway Design Manual, King County Road Standards, Washington State Pedestrian Facility Guidebook, road and drainage standards to be adopted by the City of Shoreline in the next three or four months, Seattle City Light standards, and other pertinent standards and manuals. Otak will review these design standards and guidelines, and develop recommendations for a set of comprehensive standards for the project. The standards will be reviewed with Shoreline staff and the TAC.

### **5.2 Gather Design Ideas/Consolidate Background Information**

The preliminary design process will be focused on developing many initial alternative trail alignments and crossings, evaluating them, and arriving at a preferred alternative. The first step in this process will be to assemble design ideas and catalog and organize the background information. The design ideas will be correlated with the background information so relationships will be clear and identifiable, and benefits and disadvantages of these different ideas can be determined. These ideas will be just that: ideas that will be used to generate various design alternatives in Task 5.4 below.

### **5.3 Identify Historical and Interpretive Opportunities**

The Interurban Right of Way bears significant historical significance to the Puget Sound area. Because of its rich historical value and the way it provided a significant transportation connection, it offers the opportunity to provide historical and cultural interpretation along its length. Otak will assemble historical information for the area and develop an approach for interpretive displays along the trail. Otak will



develop several conceptual interpretive panel layouts for review and approval by the City and CAC.

#### 5.4 Develop Conceptual Alternatives

This task will develop the design alternatives that will be considered for the project. It will consist of several design charettes to develop alternatives for the trail itself as well as bridge alternatives, other major crossing alternatives, surfacing alternatives, and alternatives for interfacing with Echo Lake Park. Gateway and trailhead alternatives will also be developed. The following steps will be utilized to develop the design alternatives.

*Project team charette* — After Tasks 5.1 through 5.3 have been completed, the consultant project team will meet for a one day charette to identify options and ideas for the entire trail alignment. This will be a highly structured, comprehensive effort and will involve all members of the consultant team. The product of this activity will be a number of plan view drawings that show alternative opportunities and constraints, locations for special features, general evaluation of conformance with topographic and planimetric constraints, general application of design standards, and a summary of first cut alternatives.

Concept sketches of particular features such as plazas, street crossings, park and school interfaces, and gateways and trailheads.

*Bridge design charette* — An additional project team charette, for one day, will be held with the bridge design team to develop alternative concepts for bridge and crossings at North 155<sup>th</sup> Street and approximately North 158<sup>th</sup> Street. In addition, the team will consider crossing options generally for North 205<sup>th</sup> Street and how they might affect the north terminus of the trail.

*Client charette* — This half-day gathering with Shoreline staff will provide the opportunity for the consultant team to brief staff on the results of the charettes described above and discuss staff input.

*Prepare alternatives* — Alternatives coming out of the three charettes described above will be prepared and drawn up. These alternatives will include trail alignment alternatives; bridge, and other road crossing alternatives; gateway/trailhead alternatives at up to four locations; and urban linkages/community connections at up to ten locations. Only one bridge alternative will be developed. This information will be developed to a level suitable for presentation to the public at a workshop.

*Community Meeting No. 2* — Materials prepared above will be presented to the public and input will be taken as described in Task 4.



#### **5.5 Prepare Cost Estimates**

Alternatives from the project team charrettes and public workshops, along with review and discussion with City staff, will result in paring the alternatives for further consideration and analysis down to two alignment alternatives and one bridge alternative. Preliminary cost estimates will be prepared for these alternatives for use in screening the alternatives. Cost estimates will be prepared using current City, King County, and WSDOT unit prices and experience with other similar projects. Cost estimates will be prepared in year 2000 dollars, and will be for comparison of alternatives. The budget level cost estimate will be prepared after the preferred alternative is selected.

#### **5.6 Select Preferred Alternative**

Based on the feedback from the public workshops, team charrettes and discussions with staff, and based on evaluation of the cost estimates prepared in Task 5.6 above, the Otak team will develop refined preliminary design drawings to be included in the Preliminary Design Report. The level of detail for this set of drawings will be more creative and illustrative, not technical engineering drawings. They will be prepared at scale 1 inch equals 100 feet with details and enlargements for specific areas. Approximately 15 horizontal layout and detail sheets will be prepared and approximately 15 sheets of special illustrations will be required.

#### **5.7 Preliminary Technical Analyses/Reports**

Technical reports will be required for several areas to support the overall preliminary design effort and to support the development of adequate environmental documentation. It is anticipated that technical reports will be required for drainage, bridge and wall TS&L, and traffic. These reports will follow a technical memorandum format, and will provide sufficient information to support preliminary permit applications. Once a preferred alternative is selected, more detailed versions of these reports will be developed to support construction permit applications.

#### **5.8 Prepare Draft Design Report**

Otak will prepare a draft design report that compiles all of the information gathered, presentation materials, and deliverables created as part of the preliminary design process. The anticipated table of contents for the Design Report is as follows:

##### **Introduction/Background**

##### **Overview of Preliminary Design Process**

##### **Community Involvement Summary**

##### **Existing Conditions Analysis**

- General Corridor Characteristics and Surrounding Land Uses
- Transportation Related Conditions (traffic volumes, safety, accident history)

- Topography, Soils, and Geology
- Existing Storm Water Drainage Conditions
- Vegetation/Existing Landscape
- Utilities and Conditions Related to Seattle City Light Functions
- *ESA Conditions*

Applicable Design and Development Guidelines and Standards for the Trail

- Trail Corridor Opportunities
- General Trail Alignment Options Studied
- Bridge Design Opportunities
- Gateway and Trail Head Opportunities
- Community Connections/Urban Linkages Opportunities
- Historic Interpretation Opportunities
- Special Areas Opportunities (and constraints) This is where we would address 175th/185th, Echo Lake etc....we would break these down into separate categories
- Funding Opportunities/Potential Additional Funding Sources

## 6.0 Environmental Analysis and Permitting

To achieve environmental compliance, the Shoreline Interurban Trail Project will require NEPA and SEPA approval. It is assumed that a SEPA Checklist with expanded technical documentation (resulting in a Determination of Non-Significance) is the necessary level of analysis for SEPA compliance. It is further assumed that this project will be classified as a Class II – Categorically Excluded (CE) project under NEPA with required documentation and FHWA approval (Documented CE). Expanded documentation (in the form of Technical Memorandums) will be provided for the elements of Surface Water, Transportation, and Recreation. Technical Memorandums for Relocation and Wetlands may also be necessary, but are only included as conditional options within this scope and budget. A full ESA-compliant Biological Assessment (BA) may also be required and is included in this scope as an optional service task. Five copies of the Draft NEPA and SEPA documents will be prepared for City, WSDOT, and FHWA review as applicable. CH2M Hill will make necessary changes based on reviewer comments for the Final NEPA and SEPA documents. Ten copies of the final NEPA and SEPA documents will be made for distribution to the City, WSDOT, and FHWA.

### 6.1 Confirmation Meeting

The City and project team shall have one (1) meeting with a FHWA representative and a WSDOT representative to confirm the appropriate level of environmental documentation assumed by this scope. For budgeting purposes, the scope assumes an expanded SEPA Checklist and NEPA Documented CE with technical memorandums on Surface Water, Transportation, and Recreation. Should the meeting identify additional environmental elements that require expanded technical documentation or if it is determined that a different level of environmental

documentation would be needed to meet SEPA and/or NEPA requirements, that work shall be performed under a supplemental contract.

#### **6.2 SEPA Checklist**

The project team will prepare an expanded SEPA Checklist based on project design information. Technical memorandums will be prepared for the elements of Surface Water, Transportation, and Recreation and will accompany the Checklist as appendices. A reconnaissance-level Biological Assessment shall also be included as an appendix.

#### **6.3 Surface Water Technical Memorandum**

The project team will prepare a Surface Water Technical Memorandum that will characterize and describe existing drainage and water quality conditions in the project corridor; identify the probable adverse impacts of the design alternative on drainage systems and surface water resources; and recommend mitigation measures that could be implemented.

#### **6.4 Transportation Technical Memorandum**

The project team will prepare a Transportation Technical Memorandum that will contain a non-qualitative discussion of traffic changes that may occur due to the project. The analysis will focus on the project's effect on traffic circulation and pedestrian safety at those locations where the proposed trail would cross existing streets and where the proposed trail could affect existing business access points and parking. Mitigation measures for these impacts would be identified.

#### **6.5 Recreational Technical Memorandum**

A Recreational Technical Memorandum will be prepared that will identify potential impacts to recreational facilities and pedestrian and bicycle facilities. Potential impacts to recreational facilities during and after construction will be described. Any impacts on recreational facilities identified would result in a separate Section 4(f) Evaluation. It is assumed that a Section 4(f) Evaluation will not be necessary for this project.

#### **6.6 Reconnaissance BA**

The project team will prepare a preliminary, reconnaissance-level review of project-related actions that might potentially impact sensitive species, including salmonids, within the project area. This effort shall include a 1-day site visit. This review shall provide the basis to determine the level of effort required to prepare a BA for the project. The scope for a full BA is shown out in subtask 6.12 – however, the level of effort required to complete the full BA will depend on the number of sensitive issues identified. This scope of work and accompanying budget shall be for the preliminary reconnaissance level review; the preparation of the full BA shall be by supplement to the contract.

#### 6.7 Wetlands Assessment

Based on the City's Comprehensive Plan, some wetlands or their associated buffers may be impacted by the project. A wetland assessment will be conducted to determine the extent of any wetland impacts. The wetland assessment shall include review of available soils records and wetland inventories, and a 1-day site visit by two wetlands specialists. No delineation of wetlands is assumed in this task and accompanying budget. Based on the findings, expanded environmental documentation may be required which is detailed in subtask 6.14. The results of the assessment shall be incorporated into the SEPA Checklist and NEPA Documented CE.

#### 6.8 NEPA CE

An Environmental Classification Summary (ECS) form will be prepared to fulfill the requirements of the NEPA CE. Existing information developed for the purposes of the SEPA Checklist will be used to complete the ECS form. Expanded documentation included as a part of the SEPA Checklist will also be included with the ECS.

#### 6.9 Permits

The project team will identify and prepare relevant permit applications. The City will pay all permit fees. It is assumed that the permits that will be necessary for this project are limited to the following. Additional permits will be prepared under a supplement to the contract:

- National Pollutant Discharge Elimination System Permit – Baseline General Permit for Storm Water Discharges Associated with Industrial Activities (if construction site has an area larger than five acres). CH2M Hill will prepare a Notice of Intent for Construction Activity (NOI). The Contractor will be responsible for the preparation of a Storm Water Pollution Prevention Plan.
- Temporary Modification of Water Quality Criteria.
- Water Quality Certification (401).
- Corps Section 4.4 permit (if wetlands exist and will be filled).
- CH2M Hill shall prepare and submit a Joint Aquatic Resources Permit Application (JARPA) for the Temporary Modification of Water Quality Criteria, Water Quality Certification, and Corps Section 404 permits.

#### 6.10 Assembly and Revisions

Five (5) copies of a preliminary Checklist and CE will be prepared for FHWA, WSDOT, and City review. Based upon a consolidated set of comments provided by WSDOT, appropriate revisions will be made to the Checklist and/or CE and print ten (10) copies of the final Checklist and CE that will be distributed to FHWA, WSDOT, and the City.



**6.11 Full BA**  
Optional Services.

**6.12 Relocation Technical Memorandum**  
Optional Services.

**6.13 Wetlands Technical Memorandum**  
Optional Services.

**Subconsultants**

Otak's subconsultants for this project will be CH2M-Hill, Geo Engineers, Inc., and Alta Transportation Consultants. Their respective roles are as follows:

*CH2M-Hill*

CH2M-Hill will assist with aerial mapping, the preliminary design effort - particularly bridge elements in vicinity of NE 155<sup>th</sup> Street, environmental work, and final design of retaining walls, as required. CH2M-Hill's scope of work is incorporated above and attached.

*Geo Engineers, Inc.*

Geo Engineers, Inc. will provide geotechnical engineering services. During preliminary design they will review existing information, conduct a limited reconnaissance along the proposed alignment(s), develop preliminary geotechnical recommendations, prepare a technical memorandum describing the above, assist in cost estimate preparation, and attend up to three meetings with the design team. During final design of the South Segment they will conduct additional fieldwork to determine subsurface soil conditions by completing up to two borings. They will prepare a letter report making recommendations for earthwork, retaining walls, future pedestrian bridge considerations, and other pertinent issues. Geo Engineer's scope of work is attached.

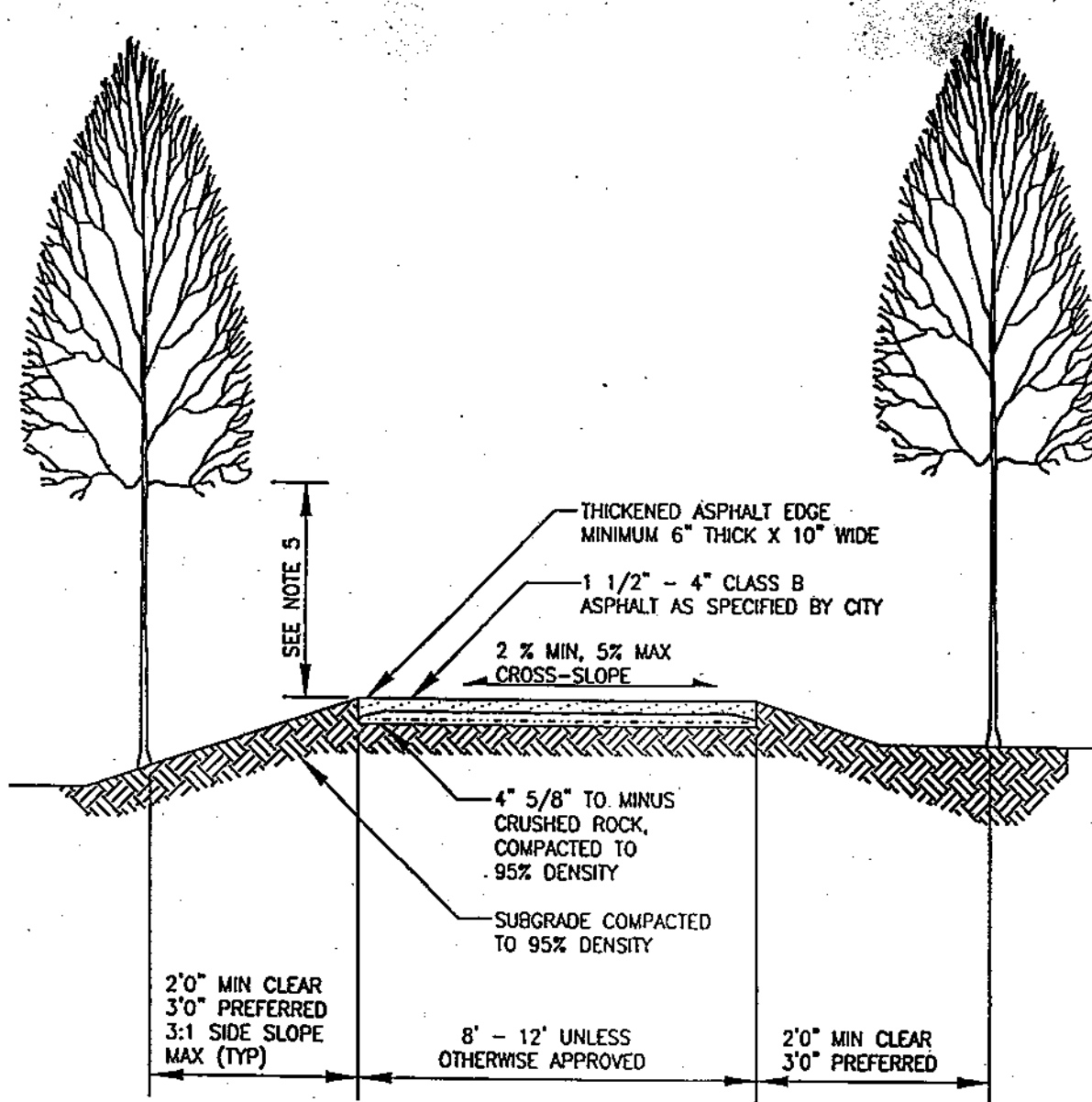
*Alta Transportation Consultants*

Alta will furnish us with the services of Phil Miller. Mr. Miller will act as a senior resource and advisor for Interurban Trail related issues. Mr. Miller will attend up to six (6) CAC meetings and participate in the project team design charrette. Mr. Miller will provide quality assurance reviews of the draft and final design reports.



## **Attachment B**

### **Typical Cross Section**



#### NOTES

1. ALL PLANS MUST BE APPROVED BY THE CITY PRIOR TO CONSTRUCTION OF THE TRAIL. TRAIL CENTERLINE TO BE STAKED IN FIELD BY CONTRACTOR AND APPROVED BY THE APPROPRIATE CITY INSPECTOR.
2. ALL HAZARD TREES AND TREE LIMBS, AS DEFINED BY THE WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES HAZARD TREE BULLETIN, SHALL BE FELLED AND REMOVED FROM THE SITE.
3. SUBGRADE TO BE TREATED WITH AN APPROVED HERBICIDE PRIOR TO PLACING ASPHALT.
4. ONE-WAY BIKE PATH TO BE A MINIMUM OF 8' WIDE.
5. MINIMUM BRANCH CLEARANCE ABOVE TRAIL SURFACE = 7'-0" (TYPICAL), 10'-0" IF EQUESTRIAN USE IS ANTICIPATED.



SCALE No Scale

TITLE

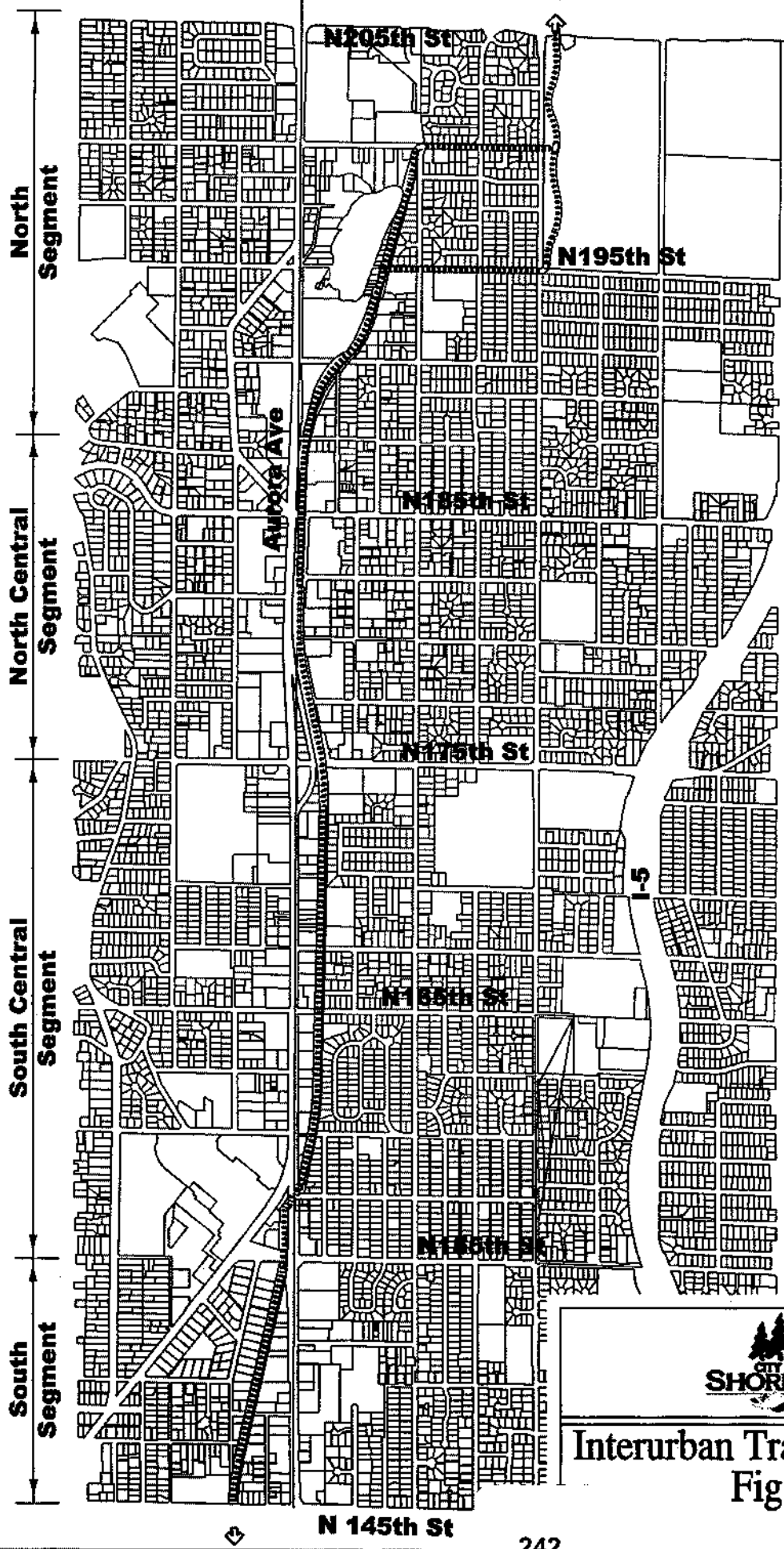
Typical Section for Trails

REV. DATE 12/99

NO. NM-1

# **Attachment C**

## Vicinity Map



**Interurban Trail Segments**  
**Fig. 1**

◀ N 145th St

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** Approval of New Lease For Office Space In The Shoreline  
Business & Professional Center  
**DEPARTMENT:** City Manager's Office  
**PRESENTED BY:** Kristoff T. Bauer, Assistant to the City Manager

**EXECUTIVE / COUNCIL SUMMARY**

The City's lease for office space in the Shoreline Business & Professional Center (SBPC) authorized by your Council in November 1995, expired as of May 31, 1999. As a result, the City is a holdover tenant under a month to month lease until a new lease is executed. The City has been working to negotiate a new lease and brings a proposed lease to your Council for review and approval.

There are two basic models of office space lease, ie. a "gross" lease or a "net" lease. Under the "gross" lease model, the lease rate is fixed and is calculated to cover all of the landlords costs including those for maintaining common area, e.g. lobby, hallways, elevator, etc. and sometimes for utility costs that are not metered to specific offices. Under this kind of lease, the landlord bears the risk of increasing costs during the lease term. Under the "net" lease model, a Base Rent is established based upon market conditions and then a variable Additional Rent is charged to cover costs for maintaining common areas and general utilities. Under this model, the landlord is guaranteed a level of profit and the tenant bears the risk of increasing costs during the lease term. Building owners prefer the "net" lease model and, given the tight commercial real estate market in the Seattle area, the "net" lease model has been used more often in recent years.

The SBPC lease signed in November 1995, including subsequent addenda, is a "gross" lease. The landlord believes that the City has grown beyond his expectations leading to an increase in variable expenses, especially electricity, that has not been covered by the current gross lease amount. In 1997, the City signed an addendum to the lease adding new office space. In exchange for the landlords' willingness to allow the City to acquire this additional space and to remodel all existing space, the addendum included an agreement by the City to negotiate in good faith a "net" lease with the goal of replacing the existing lease when it expired on May 31, 1999. To this end, staff met with the landlord in January 1999, and requested that he propose a new lease in order to initiate negotiations pursuant to the addendum.

Since receipt of the landlords' proposed net lease on June 3, 1999, staff has actively sought to negotiate a lease that would be acceptable to both parties. Unfortunately, due to the wholesale revision of prior lease terms contained in this proposal including the magnitude of the landlords initial rental request (32 percent increase) and confusion over the division of obligations and liabilities among the parties, negotiations did not



result in an agreed document suitable for presentation to your Council until late January 2000. Progress toward resolution was also complicated by changes in the Landlords' legal representation and negotiating teams.

The "net" lease proposed for Council consideration (See Attachment A) would be effective upon execution and has the following key terms:

**Term:** 3 years through February 28, 2003 (plus a 5-month exit period through July 31, 2003)  
**Renewal:** 3 options of 12 months each  
**Base Rent:** \$14.59 annually per Square Foot – Increased by 5% annually and negotiable upon exercise of renewal option  
**Additional Rent:** \$3.97 annually per SF (Estimate of the City's pro-rata share, 66%, of variable costs based on past invoices)

Est. of Financial Impact:	Prior Lease	Proposed Lease	Difference	% Increase
<b>Base Rent</b>	\$ 12,111	\$ 12,716	\$ 605	5%
<b>Add. Rent</b>	\$ 725	\$ 3,458	\$ 2,733	377%
<b>Total</b>	\$ 12,836	\$ 16,174	\$ 3,338	26%
<b>Annualized Total</b>	\$ 154,030	\$ 194,083	\$ 40,053	26%

The City's 2000 budget has adequate fund to cover this new obligation.

#### Rental Rate:

When the addendum agreeing to negotiate a new net lease was signed, staff had anticipated that moving to a net lease would result in a reduction of the base rental amount, as costs are moved from the "gross" base rental rate to the variable "additional rent" category. Thus, while the risk of rental fluctuations due to variable "additional rent" costs would be greater, the change in overall rental rate should have mirrored inflation.

In contrast, the landlord has argued that the past rental rate was low, and that market conditions justify both an increase in the base rental rate and the addition of variable "additional rent" charges as indicated in the chart above. To assist your Council in assessing the reasonableness of the proposed rental rate, staff has compiled the following comparable data:

#### Cost Per Annual Square Foot Comparison

(All rates are for "net" leases except as noted)

Other City Leases		Market Study (Average "Asking" price)	
			Class B <sup>1</sup> Class C <sup>2</sup>
<b>Prior Lease (gross)</b>	\$ 13.90	<b>Edmonds/MLT</b>	\$ 13.38 \$ 13.00
<b>Proposed Lease</b>	\$ 14.59	<b>Lynnwood</b>	\$ 13.58 \$ 15.00
<b>Highland Plaza 6/00</b>	\$ 13.00	<b>Everett</b>	\$ 11.80 \$ 13.00
<b>Eastside Storefront</b>	\$ 8.86	<b>Average "Northend"</b>	\$ 13.06 \$ 13.67
<b>Westside Storefront</b>	\$ 14.00		

<sup>1</sup> Based upon Grubb & Ellis Research Services market report and Puget Sound Business Journal article

<sup>2</sup> Based upon Puget Sound Business Journal article, October 29-November 4, 1999.

In negotiations, the landlord has described the SBPC as Class C office space. It should also be noted that the market study information above relates "asking" price that may not be the price new tenants eventually agree to pay. It should also be noted that no other tenants in the SBPC building are currently on "net" leases. Based upon this data, staff concludes that the proposed rental rate is roughly 7 to 11% higher than market rates for similar office space in the northend real estate market area. Yet, the data can be easily skewed due to the small number of comparable buildings in this market.

**Term:**

The City recently extended its lease in the Highland Plaza building through May 31, 2003. The initial term for the proposed lease would expire February 28, 2003. The proposed lease does contain a 5-month exit provision that will extend the City's obligation to a portion of the lease payment through July 31, 2003. The completion of a City Hall project is not reasonably expected prior to either date.

**Remaining Issue:**

The parties were not able to agree on whether the City should pay the landlord retroactive rent back to June 1, 1999, at the rate established in the proposed lease. The parties have agreed to address this issue separate from the execution of the proposed lease.

It is the landlord's position that the addendum signed in 1997 (see Attachment B) specifically requires that the new "net" lease go into effect on June 1, 1999. Staff's position is that agreement commits the City to negotiate in good faith with the intent of completing those negotiations prior to June 1, 1999. The City has fulfilled its obligation to actively pursue the resolution of all issues in a timely manner. The landlords' initial proposal was not received until after the June 1 deadline for agreement on a new lease. The new lease places new obligations on the City other than an increased rental amount, including certain additional duties of care, liabilities to third parties, and insurance requirements. These obligations can not be fulfilled retroactively.

The City has paid 110% of rent since June. The additional 10% represents the premium charged for being in a holdover position, i.e. occupying the office space without a current lease. The amount in dispute is about \$20K. Since the agreement before your Council does not provide for a retroactive payment, a separate settlement agreement would need to be executed in order to create the legal obligation necessary to allow the City to pay this amount.

**RECOMMENDATION**

Authorize the City Manager to execute a lease with Royal Property Management for office space in the Shoreline Business & Professional Center substantially in the form attached. Delegate the City Manager authority to approve immaterial changes to the lease.

Approved By: City Manager LB

City Attorney [Signature]

**ATTACHMENTS**

Attachment A – Proposed lease of office space in the SBPC

Attachment B – Addendum signed in 1997 to SBPC Lease

## **Attachment A**

### **Proposed lease of office space in the SBPC**

## LEASE AGREEMENT

THIS LEASE is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2000, between **SHORELINE BUSINESS & PROFESSIONAL CENTER, L.L.C.**, a Washington limited liability company, hereinafter referred to as "Lessor", and the **CITY OF SHORELINE**, hereinafter referred to as "Lessee".

### WITNESSETH:

- A. Lessor has fee simple title in and to the real property legally described on Exhibit B attached hereto and incorporated herein by this reference, upon which Lessor has established an office building commonly known as **SHORELINE BUSINESS AND PROFESSIONAL CENTER**, (hereinafter referred to as "Office Building"); and
- B. The Office Building contains a total of approximately 15,880 square feet, and includes leased spaces occupied by the City of Shoreline hereinafter referred to as (the "Premises") containing approximately 10,457 square feet (see Exhibit A); and
- C. The parties intend that the Premises be leased to Lessee for the purposes and upon the terms set forth herein.
- D. In addition to the Premises, there are Common Areas such as hallways, an elevator, stairwells, restrooms, and a parking lot which are maintained by the Lessor. These common areas are available for the non-exclusive use of the Lessee during the lease period.

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions set forth herein, the parties agree as follows:

1. **PREMISES.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, those certain Premises consisting of approximately 10,457 square feet. The Premises are part of the Office Building located on real property legally described on Exhibit B attached hereto, commonly known as Shoreline Business & Professional Center located at 17544 Midvale Avenue North, Shoreline, WA 98133. Lessee, its customers, invitees, officers, employees, and agents shall, during the term of this Lease, also have the non-exclusive right to use that portion of the Office Building reserved and devoted to parking of automobiles, all as more particularly hereinafter provided.

2. **TERM.** This lease shall be for the period commencing upon execution and terminating on February 28, 2003, unless extended as provided for in Section 33 below.

3. **RENTAL.** Lessee covenants and agrees to pay the Lessor as rent for the use of said Premises:

(a) During the first year of the Lease term the monthly lease payment shall be Twelve Thousand Seven Hundred Sixteen and No/100's Dollars (\$12,716.00) and shall be paid in advance on the 1<sup>st</sup> day of each calendar month. A late fee in the amount of five percent (5%) will be due for any lease payment not received by Royal Property Management, Inc. at their offices located at 1408 NW Richmond Beach Rd., Shoreline, WA 98177 on or before the fifth day of the month that it is due.

(b) During the second year of the Lease term the monthly lease payment shall be Thirteen Thousand Three Hundred Fifty Two and No/100's Dollars (\$13,352.00).

(c) During the third year of the Lease term the monthly lease payment shall be Fourteen Thousand Twenty and No/100's Dollars (\$14,020.00).

(d) The Lessee shall pay as additional rent on a monthly basis, an amount equal to their pro-rata share ( $10,457 / 15,880 = 65.85\%$ ) of all expense attributable to the Office Building, including, the following:

(i) all utilities;

(ii) Real estate Taxes

(iii) Expenses attributable to the operation of the entire Office Building, except the foundation, exterior walls, and roof, as listed in Exhibit C attached hereto, subject to audit by Lessee annually or more frequently at Lessee's option. Property management or other administrative costs shall be calculated as a fee based upon four percent (4%) of the monthly lease payment (3 [a-c]) collected from Lessee, excluding taxes and insurance. An annualized portion of a Capital Expenditure based upon its useful life may be included in Additional Rent upon consultation and approval of Lessee, which shall not be unreasonably withheld. Costs associated with the default of another tenant or the acquisition of new tenants are specifically excluded from Additional Rent. Costs associated with correcting known deficiencies in the Office Building as identified in Exhibit D are also specifically excluded from Additional Rent.

It is the intent of this paragraph to achieve a triple net lease as contemplated in paragraph 28 of the Addendum, signed October 8, 1997 between Lessor and Lessee. "Capital Expenditure" is defined as any repair or improvement to the exterior walls, foundation, roof, or common area of the Office Building or other improvements or equipment added thereto normally capitalized in accordance with generally accepted accounting principles.

4. **ADDITIONAL RENT BUDGET.** Lessor shall provide on or before September 30 each year a budget for the Additional Rent expenditures specific to each line item as identified by Section 3 hereof and Exhibit C hereto for the following calendar year. Lessee shall have thirty (30) days following receipt of the Lessor's proposed budget to object to the amount of any line



item in writing. If the Lessee can demonstrate that the proposed service can be provided by an alternative service provider at a reduced cost or that the reduced level of service would be adequate, then the Additional Rent budget shall be reduced accordingly. The agreed Additional Rent budget shall provide the basis for the Additional Rent obligation of the Lessee for the next calendar year, effective as of January 1 thereof.

No later than March 31 of each year or within thirty (30) days of the termination of this lease. Lessor shall provide Lessee an itemized expenditure report of actual Additional Rent costs for the previous calendar year or otherwise relevant period reconciling those expenditures to budgeted amounts for the same period. Lessee shall have thirty (30) days to accept the expenditure report or request additional time and information necessary to audit the expenditure report. No later than June 1 or ninety (90) days from termination of this Lease, Lessee shall pay Lessor any underpayment of Additional Rent costs or Lessor shall pay Lessee any overpayment of Additional Rent costs.

**5. USE OF PREMISES.** Lessee shall use the Premises for the purpose of conducting a City Hall and in connection therewith. Lessee shall conduct no other business on the Premises without the written consent of Lessor, which consent shall not be unreasonably withheld. Lessee shall refrain from any use that would be reasonably offensive to the Lessor or users of adjoining Premises or that would tend to create a nuisance or damage the reputation of the Office Building.

Lessee shall not use or permit said Premises or any part thereof to be used for any purpose in violation of any municipal, county, state or federal ordinance or law, or which would increase the fire insurance rate above that which would otherwise apply to the use of the Premises as a City Hall.

**6. ALTERATIONS AND IMPROVEMENTS.** Lessee will not make or permit to be made any alteration, changes or improvements what-so-ever in the Premises without the written consent of the Lessor in each instance first obtained. In the event such consent is given, any such alterations, additions or improvements shall be made at the sole cost and expense of Lessee, and the Lessee agrees to hold Lessor free and harmless from any and all liability resulting therefrom and further agrees not to permit any liens to stand against the Premises for work done or materials furnished. All alterations or improvements made upon the Premises shall be in accordance with the current building codes and performed by a registered bonded contractor.

All repairs or alterations, which involve the roof, must have the prior approval of Royal Property Management, Inc. All additions to or improvements made upon the Premises by Lessee shall become a part thereof and become the property of Lessor.

**7. LESSEE'S FIXTURES.** Lessee may install, connect and use in the Premises such fixtures, appliances, equipment, tools and machines as Lessee may deem desirable for its adequate use of the Premises, and all of such items shall remain Lessee's property. The Lessee may remove any fixtures, which it installs from the Premises so long as Lessee repairs any

damage caused by such removal. All wiring, electrical, telephone, computer and conduit provided will remain with the Premises.

**8. MAINTENANCE AND REPAIRS BY LESSEE.** At the expiration or sooner termination of this lease, Lessee shall return the Premises to Lessor in the same condition in which received (or, if altered by Lessee, with Lessor's consent, then the Premises shall be returned in such altered condition), reasonable wear and tear and damage by fire and other unavoidable casualty excepted. Lessee shall keep the Premises neat and clean and in a sanitary condition. In addition, Lessee shall meet all standards and requirements of any municipality, county or state inspectors having jurisdiction, and shall comply with each and all of the statutes of the State of Washington and ordinances of the City of Shoreline and the County of King now in force or hereinafter enacted, and the ordinances of any other political entity in which the City Hall herein described may be located. Lessee agrees to refrain from depositing refuse on sidewalks, surrounding areas, and parking. Lessee shall permit no waste of any kind, and shall replace all cracked or broken glass, which is part of Lessee's Premises with glass of similar kind and quality.

**9. MAINTENANCE AND REPAIRS BY LESSOR.** Lessor shall at its own cost and expense keep and maintain the outside walls, roof and foundations of the Office Building in which the Premises are located in a good state of repair during the lease term; provided, however, if there be any damage to the exterior, including foundations, walls, doors and roof resulting from burglary or attempted burglary, vandalism, violence or civil unrest, or resulting from the negligence or willful misconduct of Lessee or Lessee's guests or invitees, Lessee agrees to repair the damage at its sole cost and expense unless the same is covered by insurance carried by Lessor hereunder. Lessor shall and does hereby agree to assume all risks of loss or damage to the Office Building, including the Premises (but not the personal property located therein) resulting from a casualty covered by Lessor's insurance as provided below.

Lessor shall keep and maintain the Office Building in a good state of repair. Lessor shall keep sidewalks and parking lots surrounding the same free and clear of all obstructions, ice and snow, according to the ordinances of the City of Shoreline, King County or any other applicable political subdivision. Lessor shall provide cleaning and janitorial services, parking lot maintenance and cleaning and landscape care and maintenance. HVAC and elevator service shall be provided and kept in operating condition and in a good state of repair.

**10. EMERGENCY REPAIRS.** If, in an emergency, it shall become necessary to promptly make any repairs which the Lessor is required by this lease to make, and if forty-eight (48) hours after receipt of written notice the Lessor has not made provision for the reasonable prompt commencement of such repairs, Lessee may proceed to have such repairs made and pay the costs thereof, in which event Lessor agrees that if such costs are reasonable and proper, the Lessee will be reimbursed upon demand, and if reimbursement is not thus made, the amounts may be deducted from lease payments next falling due. It is specifically provided that this paragraph is limited in its application to emergency repairs not exceeding One Thousand Five Hundred Dollars (\$1,500.00). If on the other hand, an emergency arises which is the responsibility of the Lessee and the Lessee has not made provision for the reasonable prompt

commencement of such repairs, Lessor may proceed to have such repairs made and pay the costs thereof, not to exceed One Thousand Five Hundred Dollars (\$1,500.00) and the Lessee will pay the cost in addition to their regularly scheduled lease payment.

11. **SURRENDER OF PREMISES.** Lessee shall yield and deliver to Lessor possession of, and all keys to, the Premises herein, promptly at the termination of this Lease.

12. **ATTORNEY'S FEES.** In the event of any action at law or in equity between the Lessor and Lessee to enforce any of the terms and provisions of the lease and the rights thereunder, the party most prevailing, shall be entitled to recover all costs and expenses, including reasonable attorney's fees incurred therein by such prevailing party.

13. **QUIET ENJOYMENT.** Lessee upon fully complying with, and promptly performing, all of the terms, covenants and conditions of this lease on its part to be performed, shall have and quietly enjoy the Premises for the term set forth herein. Lessor warrants that it has the right to lease the Premises.

14. **ASSIGNMENT AND SUBLETTING.** Lessee shall not assign or transfer this Lease or any interest therein nor sublet the whole or any part of the Premises, nor shall this Lease or any interest thereunder be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of Lessor, which will not be unreasonably withheld. If Lessor consents to any assignment or sublease, this paragraph shall nevertheless continue in full force and effect and no further assignment or sublease shall be made without Lessor's consent. No such assignment or sublease shall relieve Lessee from its primary liability hereunder.

15. **LESSOR'S INSURANCE.** Lessor shall maintain proper liability insurance with a reputable insurance company or companies in the minimum limits of One Million Dollars (\$1,000,000.00), single limit for bodily injury or property damage per occurrence. Lessor shall maintain proper all risk property insurance for the Office Building sufficient at all times to reconstruct the Office Building in the event of a catastrophic loss. Lessor shall arrange with such insurance company to provide Lessee with a ten- (10) day notice of cancellation of any such insurance policy.

16. **WAIVER OF SUBROGATION.** Lessee and Lessor hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective party, provided, however, that if this release in any way violates the existing or future policies of any kind of coverage of either the Lessee or Lessor then this mutual release is invalid, improper and not enforceable. Each party shall obtain any special endorsements, if required by their insurer, to evidence compliance with the aforementioned waiver.

17. **INDEMNIFICATION & LESSEE'S WAIVER OF LESSOR'S LIABILITY.** Lessee will hold and save Lessor harmless from all loss, damage, liability or expense (including expense of litigation) resulting from any actual or alleged injury to or death of any person or

from any actual or alleged loss or damage to any property caused by or resulting from any act or omissions of the Lessee or any officer, agent, employee, guest, invitee or visitors of the Lessee in or about the Premises. Lessor shall not be liable for any damage to property of Lessee or of others located on the Premises, nor for the loss of or damage to any property of Lessee or of others by theft or otherwise, including injury or damage to property to property resulting from fire, explosion, sprinklers, falling plaster, steam, gas, electricity, water, rain, snow or leaks from the pipes, appliances, plumbing, roof, street or sub-surface, or from any other place or from dampness. Lessee shall give immediate notice to the Lessor in case of fire or accidents in the Office Building or in the Premises or defects thereon or therein.

18. **SIGNS.** Lessee shall not, without the prior written consent of Lessor, place signs on the exterior of the demised office building or on any part of the parking area. At the termination or sooner expiration of this lease, Lessee shall, at its own expense remove any such signs, and Lessee shall repair any damage or injury to the Office Building caused thereby. Lessor shall have the right to place and maintain "For Rent" signs in conspicuous places on the Premises for sixty (60) days prior to the expiration or sooner termination of this lease.

19. **INSPECTION.** Lessor and its agents shall have the right to enter upon and inspect the Premises at all reasonable times, after first giving forty-eight (48) hours written notice. In the event of an emergency, the Lessor and or his agents shall have the right to immediately enter the Premises to make repairs.

20. **FIRE OR OTHER CASUALTY DAMAGE.** In the event the Office Building is destroyed or damaged by fire or other casualty to such an extent to render at least twenty-five (25%) percent of the square foot area of the Office Building untenable, in whole or in substantial part thereof, Lessor shall have the option to rebuild or repair the same. Lessor shall have thirty (30) days after the occurrence of such casualty to notify the Lessee in writing of Lessor's intention to rebuild or repair said Office Building. If Lessor elects to rebuild or repair said Office Building, Lessor shall prosecute the work of such rebuilding or repairing without unnecessary delay, and during such period the lease payment of the Premises, including Additional Rent, shall be abated in the same ratio that the square foot area of the portion of the Premises rendered for the time being unfit for occupancy shall bear to the square foot area of the entire Premises. If the Lessor shall fail to give the notice of an intent to repair or rebuild, Lessee shall have the right to declare this lease terminated as of the date of casualty by written notice served upon the Lessor.

In the event the Office Building is damaged by fire or other casualty to such an extent to render less than twenty-five (25) percent of the square foot area of the Office Building untenable, the Lessor shall rebuild or repair the same without unnecessary delay, and during the repair period the lease payment, including Additional Rent, of the Premises shall be abated in the same ratio that the square foot area of the portion of the Premises rendered for the time being unfit for occupancy shall bear to the square foot area of the entire Premises. In the event the Office Building's common areas are damaged to an extent whereby the Lessee finds it difficult to carry on their business, the Lessor agrees to allow Lessee to terminate this lease after giving thirty (30) days written notice.



21. **INGRESS AND EGRESS.** The Lessor agrees that Lessee shall at all times have a good and usable means of ingress and egress both for itself and its customers to and from the demised Office Building and Premises during the entire term of this Lease; provided, however, that ingress and egress and the parking lot adjoining the Office Building may be temporarily closed or reduced should the same be necessary in the course of repairs or construction to the Office Building or the parking lot, or as a result of causes beyond the Lessor's reasonable control. Lessor shall at all times endeavor to minimize interference with or reduction to the ingress and egress to, or the parking lot adjoining, the Office Building while nevertheless completing the work to be performed.

22. **EMINENT DOMAIN.** In connection with any condemnation action affecting a part or all of the Premises the Lessor shall have the responsibility for and the control of all settlement negotiations and litigation connected therewith. If any portion of the Premises should be taken in any condemnation or eminent domain proceeding during the term hereof, then the term of this Lease shall cease with respect to the portion of the Premises so taken from the time when the possession of said portion shall be required by the condemner, and the rent shall be paid up to that time. The Lessee shall not claim or be entitled to any award or any part of any award to whomever made, and for whatever purpose, for damages for the taking as aforesaid of the whole or any part of the Premises hereby leased, except as hereinafter provided. The Lessee, however, within thirty (30) days after such taking, may give the Lessor notice of its election to terminate this agreement and lease in its entirety, and upon vacating, this lease shall terminate as of the date of vacation, if any, paid in advance thereof shall be apportioned as of the date of such notice, and the Lessee's portion shall be refunded promptly to it. If the Lessee should not so elect to terminate, or if less than twenty-five (25) per cent of said Premises should be taken in such proceeding, then the Lessor at the Lessor's cost and expense shall promptly make such alterations as may be necessary to make the building conform to the land as it may remain after the condemnation proceedings, it being understood and agreed that the Lessor shall not be liable to the Lessee for any of the Lessee's improvements to or investment in said Premises. In such case, and equitable adjustment of base rent and Additional Rent shall be made for the period from the date when possession of the part so taken shall be required by the condemner to the date of completion of such repairs and alterations, and, from and after the latter date, the base rental and Additional Rent payable hereunder shall be reduced by an amount proportionate to the value of the space taken.

In the event of either a total or partial taking, the Lessee shall be entitled to that portion of the condemnation award, if any, which represents the value fixed by the condemning authority, or if unaccepted, the value established by judicial proceeding, for the leasehold improvements placed on the Premises by the Lessee and taken by the condemning authority, unless the Lessee itself is the condemning authority.

23. **DEFAULT.** In the event of default by Lessee of any obligation under this Lease, including but not limited to the obligation to pay rent, and taxes, and in the event such default or nonpayment shall continue for thirty (30) days after written notice to Lessee from Lessor, the Lessor shall have the right to terminate this Lease and to re-enter the demised Premises or any



part thereof with or without process of law; or Lessor at its option without terminating this Lease shall have the right to re-enter the demised Premises and sublet the whole or any part thereof, for the account of the Lessee, upon as favorable terms and conditions as the market will allow. In the latter event, the Lessor shall have the right to collect any rent which may hereafter become payable under such sublease and to apply the same, first to the payment of any expenses incurred by the Lessor in dispossessing the Lessee and in sub-letting the demised Premises and second, to the payment of the rentals reserved and the fulfillment of Lessee's covenants hereunder, and the Lessee shall be liable for amounts equal to the several installments of minimum rent as they would under the terms of this lease as they become due, less an amount actually received by the Lessor, and applied on account of rental as aforesaid. The Lessor shall not be deemed to have terminated the Lease by reason of taking possession of the demised Premises unless written notice of such termination has been served on the Lessee. The remedies herein are cumulative and are provided in addition to any other remedies available at law or in equity and not in lieu thereof.

24. **LIENS AND ENCUMBRANCES.** Lessee shall keep the Premises free and clear of any liens and encumbrances arising or growing out of the use and occupancy of the Premises by Lessee hereunder. At Lessor's request, Lessee shall furnish Lessor with written proof of payment of any item, which would or might constitute the basis for a lien on the Premises if not paid. Notwithstanding the above provisions of this paragraph, Lessee may in good faith contest any such liens or encumbrances upon the posting of security in an amount and nature mutually agreed upon by Lessee and Lessor.

25. **WAIVER.** The failure of either Lessor or Lessee to insist on strict performance of any of the covenants and agreements of this Lease shall not be construed as a waiver or relinquishment of any such covenant or agreement or any other covenant or agreement hereof, but the same shall be and remain in full force and effect. The receipt of rent with or without knowledge of any breach of any covenant or condition herein contained, and the receipt of rent after any breach of this Lease, shall be construed to be a payment for the use and occupancy of the Premises, and no waiver shall be claimed as to any provisions of this Lease unless the same be in writing and signed by the Lessor and the Lessee, as the case may be.

26. **GOVERNMENTAL CHARGES.** If any governmental authority under any present or future law effective at any time during the term of this lease shall in any manner levy a tax on rentals payable under this lease or rentals accruing from use of the Office Building or a tax in any form against Lessor because of or measured by income derived from the leasing or renting of the Office Building, Lessee shall be responsible for their pro-rata share of said tax obligation as Additional Rent. Lessee's default hereunder, shall grant Lessor the same remedies as upon failure to pay rent, provided, however, that Lessee shall not be liable to pay any tax imposed on Lessor for inheritance, gift, or succession taxes imposed on or measured by rentals or otherwise, nor shall the amount of any tax payable by Lessee hereunder because of or measured by rental income to the Lessor exceed such sum as would be levied if the rental paid hereunder were Lessor's sole income. This clause shall not be construed to cover payment of Lessor's Federal income tax or a State income tax on net income.

27. **NOTICES.** Except wherein expressly provided otherwise, any notice or demand required or permitted to be given under this Lease shall be deemed to have been properly given when, and only when, the same is in writing and has been forwarded by certified mail with return receipt requested and addressed as follows:

TO THE LESSOR AT: Shoreline Business & Professional Center, LLC  
c/o Royal Property Management, Inc.  
1408 N.W. Richmond Beach Rd.  
Shoreline, WA 98177

TO THE LESSEE AT: City of Shoreline  
17544 Midvale Avenue North  
Shoreline, WA 98133  
Attention: City Manager

Such addresses may be changed from time to time by either party by serving written notice to the other party.

28. **PARAGRAPH HEADINGS.** Paragraph headings of this Lease are inserted only for reference and are not a part of this lease and do not in any way define, limit or describe the scope or intent of this Lease, nor affect its terms and provisions.

29. **SUCCESSORS OR ASSIGNS.** All of the terms, conditions, covenants and agreements of this Lease shall be extended to and be binding upon the Lessor, Lessee and their respective heirs, personal representatives, successors, and assigns, and upon any person or persons coming into ownership and possession of any interest in the Premises by operation of law or otherwise, and shall be construed as covenants running with the land.

30. **HOLDING OVER.** If the Lessee holds over after the expiration of the term of this lease, such tenancy shall be for an indefinite period of time on a month-to-month tenancy, which tenancy may be terminated as provided by the laws of the State of Washington. During such tenancy, Lessee agrees to pay to the Lessor 150% of the same rate of rental as set forth herein, unless a different rate is agreed upon, and to be bound by all of the terms, covenants, and conditions as herein specified so far as is applicable.

31. **NUMBER AND GENDER.** Unless some other meaning and intent are apparent from the context, the plural shall include the singular and vice versa; masculine, feminine and neuter words shall be used interchangeably.

32. **SEPARATION OF PROVISIONS; CONSTRUCTION OF LEASE.** If any provision of this Lease shall be determined to be void or voidable by any court of competent jurisdiction, such determination shall not affect any other provision of the Lease and all such other provisions shall remain in effect. If, however, the removal of any provision determined to be void or voidable materially alters the rights and obligations of either party, then either party may require the good faith re-negotiation of the Lease. It is the intention of the parties hereto that if any provision of this Lease is capable of two constructions, one of which would render the

provision void or voidable and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

33. **JURISDICTION AND VENUE.** The laws of the State of Washington shall govern the validity, performance and enforcement of this Lease. In the event of any litigation arising out of this Lease, venue shall be King County. This Lease shall not be construed either for or against the Lessors or Lessee, but its construction shall be at all times in accord with the general tenor of the language so as to reach a fair and equitable result.

34. **OPTION TO RENEW.** Provided that Lessee is not in default hereunder, either at the time of exercising this option to renew or upon the commencement of any renewal term, Lessor hereby grants to lessee the option to renew this Lease for three additional term of one (1) years ("Renewal Term") on the same terms and conditions as are provided by this Lease, except for the term, and the monthly lease payment, which shall be established by the parties as the fair market rental value for the Premises as of the commencement of any Renewal Term. The monthly lease payment shall in no event, however, be less than the monthly Lease payment payable during the last year of the primary term or preceding Renewal Term of this Lease. If the parties are unable to agree upon the fair market value for the Premises, within ninety (90) days of receipt of the written notice to exercise the option, then that value shall be established by averaging the then current rates for spaces of similar size as lessees are then being offered by three similar office buildings in which the Lessor has no interest and within a five (5) mile radius of the Premises, which three buildings shall be designated by Lessor. Lessor shall provide documentation of said base lease rates for leases with similar terms and conditions including Additional Rent provisions and the average thereof shall be binding upon the parties. Terms shall begin upon the expiration of the primary term or a preceding Renewal Term, and shall not be severable or separately assignable from this Lease.

Lessee shall exercise its option to renew the term of this Lease by delivering to Lessor written notice of its election to renew no later than one hundred eighty (180) days prior to the expiration of the primary term or any Renewal Term. Time is of the essence in the exercise of the option to renew, and Lessee's failure for any reason to exercise its renewal option within the time provided for herein shall constitute a waiver of Lessee's right to exercise such option.

Whether or not Lessee elects to exercise its option to extend their Lease for an additional term, Lessee agrees to continue the current Lease for an additional term of five (5) months after the expiration of the current lease or option and to reduce its occupancy by no more than 20% per month with a corresponding reduction of base rent paid and triple net payments of no more than 20% per month.

35. **ENTIRE AGREEMENT.** The entire agreement between the parties hereto is set forth in this agreement, and any agreement hereafter made shall be ineffective to change, modify, alter or discharge in whole or in part unless such agreement is in writing and signed by both parties. It is further understood that there are no oral agreements between the parties hereto affecting this Lease, and that this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the

02/01/00

parties or displayed by Lessors to Lessee with respect to the subject matter of this Lease, and none of the same shall be available to interpret or construe this Lease. All negotiations and oral agreements acceptable to the parties have been merged into and are included in this Lease.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of the day and year first above written.

**LESSOR:**  
**SHORELINE BUSINESS &  
PROFESSIONAL CENTER, LLC**  
A Limited Liability Company

**LESSEE:**  
**CITY OF SHORELINE**  
A Municipal Corporation

By: \_\_\_\_\_  
Harley D. O'Neil, Jr.  
Managing Member

\_\_\_\_\_  
Robert Deis  
City Manager

02/01/00

**LESSOR'S ACKNOWLEDGEMENT**

STATE OF WASHINGTON     )  
                                      )  
COUNTY OF KING         )     ss.

I CERTIFY that I know or have satisfactory evidence that Harley D. O'Neil, Jr. is the person who appeared before me, and acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument as the Managing Member of Shoreline Business & Professional Center, L.L.C., a Washington limited liability company, and acknowledged it to be the free and voluntary act of such limited liability company for the uses and purposes mentioned in the instrument.

DATED: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_  
My Commission expires \_\_\_\_\_

**LESSEE'S ACKNOWLEDGEMENT**

STATE OF WASHINGTON     )  
                                      )  
COUNTY OF KING         )     ss.

I CERTIFY that I know or have satisfactory evidence that Robert Deis is the person who appeared before me, and acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument as the City Manager of the City of Shoreline, a Washington Corporation, and acknowledged it to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

DATED: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC in and for the State of  
Washington, residing at \_\_\_\_\_  
My Commission expires \_\_\_\_\_



**EXHIBIT C**

**ADDITIONAL RENT EXPENSES**

**The following categories of expenses associated with the Office Building may be recovered as Additional Rent:**

- ❖ Janitorial
- ❖ Maintenance & Cleaning supplies
- ❖ HVAC Maintenance & Repairs
- ❖ Elevator Maintenance & Repair
- ❖ Security
- ❖ Parking Lot Maintenance
- ❖ Landscaping

**EXHIBIT D**

**Expenses related to the repair of the following known deficiencies or damaged caused thereby are excluded from Additional Rent:**

- ❖ **Leaks in the roof and/or skylight.**
- ❖ **Water infiltration through the foundation into the basement area.**
- ❖ **Repairs to the HVAC system due to the Lessor's failure to properly maintain the system.**

## **Attachment B**

**Addendum signed in 1997 to SBPC Lease**

ORIGINAL

LEASE

THIS LEASE, dated this Oct. 28, 1997, between Shoreline Business and Professional Center  
Tenancy in Common, Lessor, and CITY OF SHORELINE, Lessee,

Clerk's Receiving

No. 459

WITNESSETH:

Date 10/28/97

R.A. Rose

1. The Lessor does hereby lease to the Lessee, and Lessee does hereby lease from Lessor, those certain premises situated in King County, State of Washington, described as follows:

Those certain premises covering the areas known as Suites #205, 301 and #303 comprising an approximate total footage of 1,525 square feet, and located in the building known as the Shoreline Business and Professional Center. That portion of the North half of the Southwest quarter of the Southwest quarter of the Northeast-quarter of Section 7, Township 26 North, Range 4 East, W.M., in King County, Washington, described as follows:

Beginning at the Southeast corner of said subdivision, running thence West along the South line thereof 396.79', more or less, to the easterly margin of Old Seattle-Everett Interurban Railway Right-of-Way, thence Northerly along said Easterly Margin 113.49'; thence Easterly 420.98 feet to a point on the east line of said subdivision 110.62' Northerly from the point of beginning; thence Southerly along said East line to the point of beginning; EXCEPT a 20' strip along the Westerly margin thereof conveyed to King County, Washington, for road purposes by Deed recorded under Auditor's File No. 1998557, in King County, Washington; EXCEPT the Easterly 150 feet and EXCEPT roads.

The common address is known as 17544 Midvale Avenue North, Shoreline, Washington 98133; hereinafter called "premises."

RENT AND TERM

2. Lessee covenants and agrees to pay the, Lessor as rental for the said premises a monthly rental of Two Thousand Twenty Five Dollars (\$2,025.00) in lawful money of the United States in advance on the first day of each month of the lease term to Lessor or its agent at its office: **Royal Property Management, Inc., 1408 NW Richmond Beach Rd., Shoreline, Washington, 98177,** beginning November 1, 1997.

ADDITION

3. This agreement shall be subject to the terms and conditions of the lease signed by the parties on November 29, 1995.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands the date first above written.

Lessor:

Harley Donnell

Lessee:

[Signature]

10-23-97

10/2/97

**ADDENDUM**

Shoreline Business and Professional Center, L.L.C. (hereinafter referred to as "Lessor"), and the City of Shoreline (hereinafter referred to as "Lessee"), hereby execute this Addendum to their Lease entered into by the parties on the 29th day of November, 1995.

**Whereas**, the City has occupied space in the Shoreline Business and Professional Center since May of 1995,

**Whereas**, the number of City personnel working in the Shoreline Business and Professional Center has increased steadily since that time,

**Whereas**, the utility and other operating costs associated with the City's occupancy of the Shoreline Business and Professional Center have also increased since that time,

**Now, therefore**, the parties enter into this Addendum which adds to the Lease as follows:

**Additional Rent****21. Definitions:**

- a) "Pro-Rata Share" as used herein shall be that percentage obtained by dividing the Lessee's rental square footage under the Lease prior to any addendums, amendments, or additions thereto, (6,544), divided by the total leasable square footage in the building, (15,880). The parties calculate that Lessee's Pro-Rata Share is 41.2%.
- b) "Base Year" as used herein shall be the twelve month period from January 1 to December 31, 1995.
- c) "Allowed Expenses" as used herein shall refer to expenses actually incurred by the Lessor for the following goods and services provided to, or performed on, the Shoreline Business and Professional Center, the common address of which is 17544 Midvale Avenue North, Shoreline, Washington, 98133: Electricity, Water, Sewer, Parking Lot Cleaning.

**22. Additional Rent calculation, notice, and effective period:**

- a) The Lessee shall pay as Additional Rent, on a monthly basis, an amount equal to their Pro-Rata Share of increases in total annual Allowed Expenses paid in the previous calendar year above those paid in the Base Year.
- b) The Lessor shall provide the Lessee notice of the proposed Additional Rent amount, accompanied by all documentation necessary to confirm the appropriate calculation of the proposed amount, no later than March 1 of each year.
- c) Any increase or decrease in the Additional Rent amount over that effective during the previous calendar year will result in an adjustment in the Lessee's rental payment. The new Additional Rental amount shall be added to the Lessee's rental obligation from May through the following March, provided that the Additional Rental amount shall not exceed fifteen percent (15%) of the Lessee's previous year's rental obligation exclusive of Additional Rent.

**23. Lessee also agrees to pay as Additional Rent the monthly amount of four hundred twelve dollars and fifty cents (\$412.50) for janitorial labor costs for the duration of this agreement.**



### Alterations/Re-Configuration

24. The Lessor agrees to the re-configuration of the Lessee's existing rental premises in accord with the plans submitted by the Lessee and attached hereto as Exhibit A. Lessor, further, agrees to take all action reasonably necessary to facilitate this re-configuration including, but not limited to, the development of new, or the alteration of existing, lease agreements with other building tenants, and Lessee. In satisfaction of this paragraph, Lessor agrees to submit a proposal to Lessee within thirty (30) days of the execution of this agreement that will include all proposed changes to existing lease agreements and firm estimates of all costs to the Lessor associate with the requested re-configuration. The Lessee shall have an opportunity to review this proposal, and, upon acceptance thereof, agrees to bear the costs to the Lessor associated with such re-configuration as outlined in the proposal. Failure of the parties to reach an agreement on the terms and costs of the requested re-configuration within sixty (60) days of the execution hereof shall void this Addendum.
25. The Lessor agrees and consents to the tenant improvements depicted in the plans attached hereto as Exhibit B.
26. The Lessor agrees and consents to Lessee's alteration of parking, landscaping, and other improvements necessary to create a walkway between the Shoreline Business and Professional Center and the Highland Plaza as depicted in the plans attached hereto as Exhibit C.
27. The Lessor agrees not to unreasonably withhold his consent for alterations to Lessee's leased premises.

### Future Lease Negotiation

28. The parties agree to negotiate in good faith a new triple net lease to replace this and other leases between the parties with the intent that, upon successful completion of those negotiations, the new lease will take effect on June 1, 1999, or as otherwise agreed by the parties.

### Effective Date

29. This Addendum shall be effective as of January 1, 1997.
30. Lessee shall pay all back Additional Rent within sixty (60) days of the full execution of this agreement.

Dated the 8 day of Oct, 1997.

LESSOR:

SHORELINE BUSINESS AND PROFESSIONAL CENTER, L.L.C.

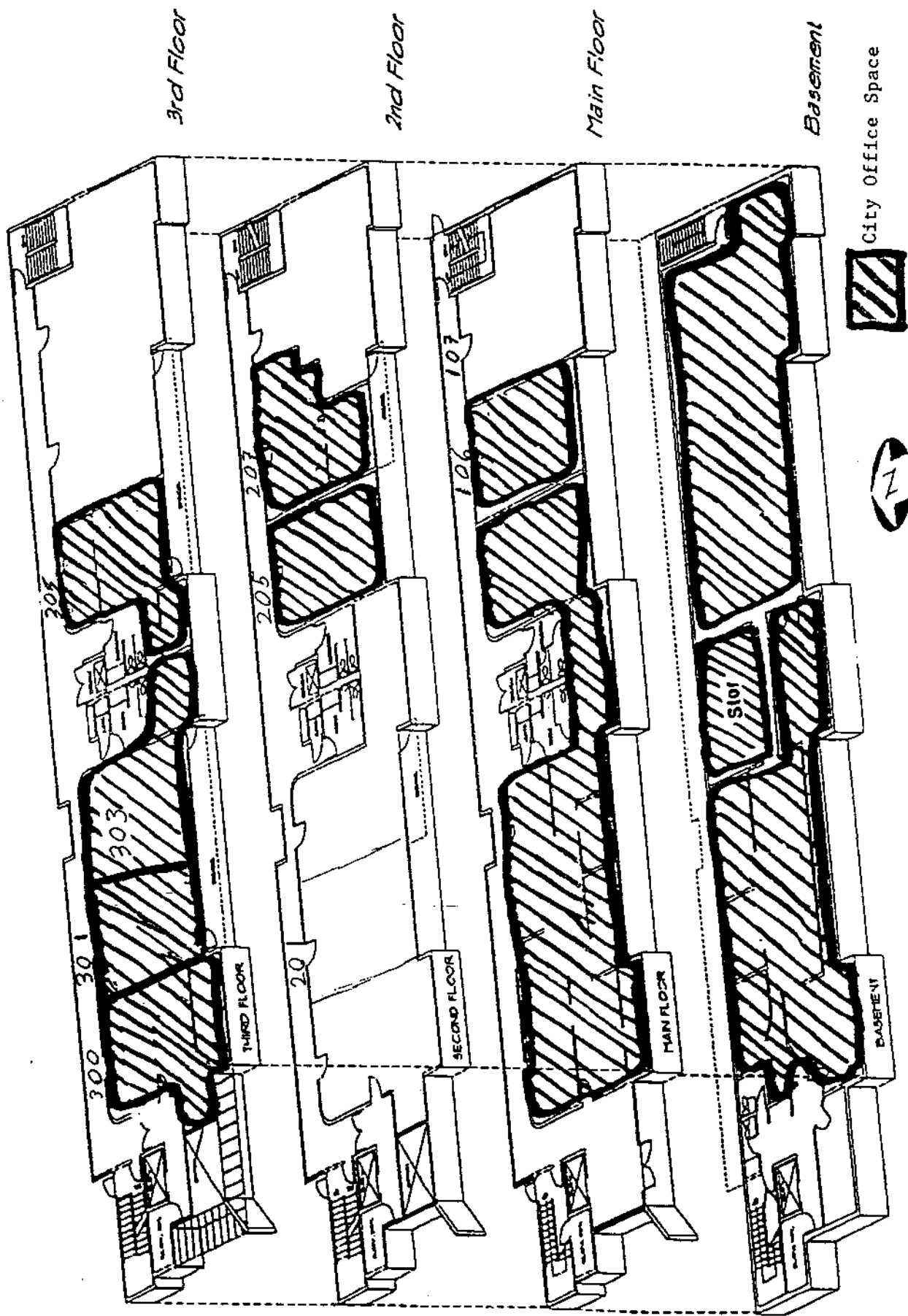
By: Harley D. O'Neil, Jr.

LESSEE:

CITY OF SHORELINE

By: Robert E. Deis  
City Manager

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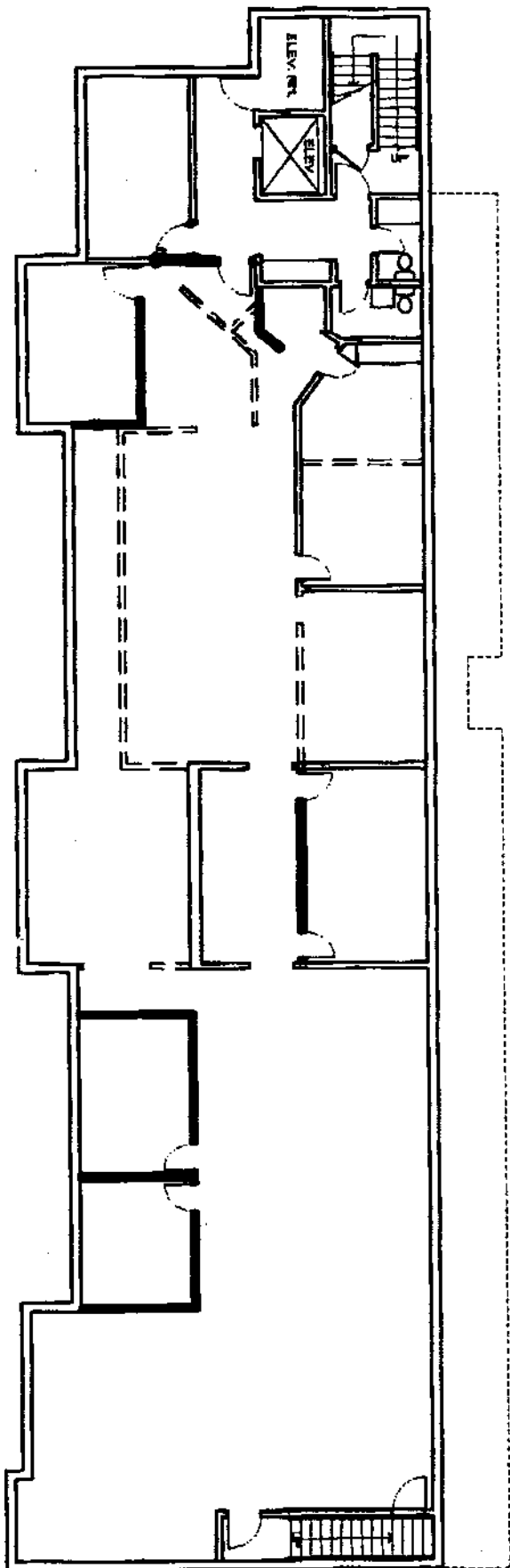
SHORELINE CITY HALL

**BASEMENT FLOOR PLAN**

1/8" = 1'-0"



-  EXISTING WALLS TO REMAIN
-  NEW WALLS
-  REMOVE EXISTING WALLS



FIRST FLOOR PLAN

1/8" = 1'-0"



- EXISTING WALLS TO REMAIN
- NEW WALLS
- REMOVE EXISTING WALLS

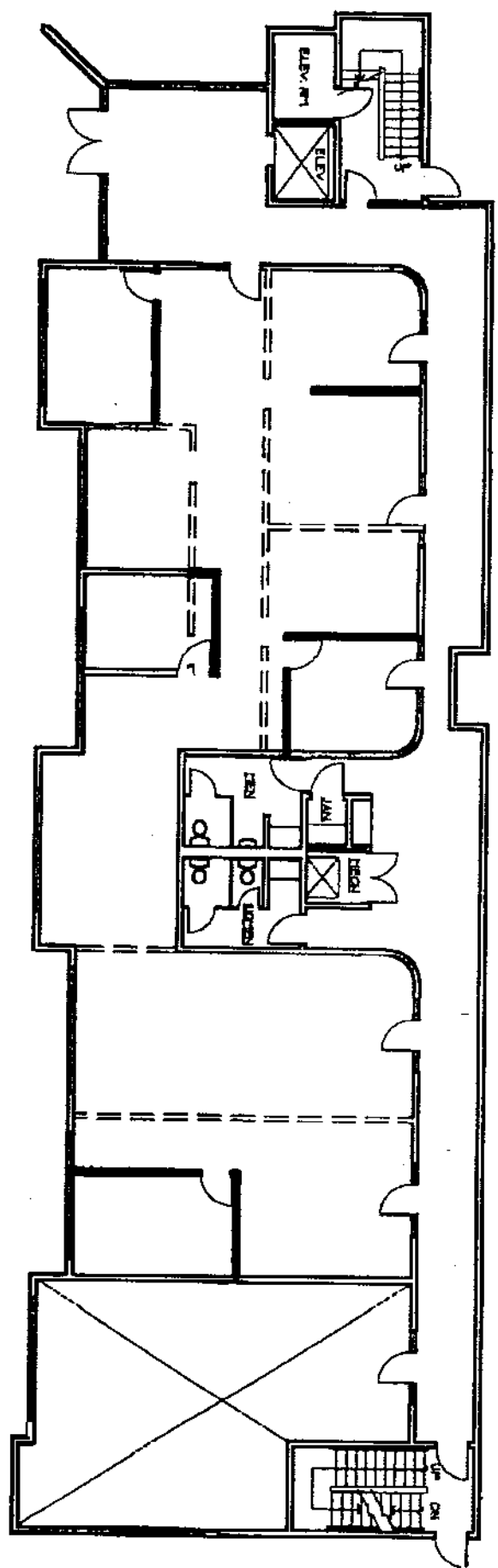
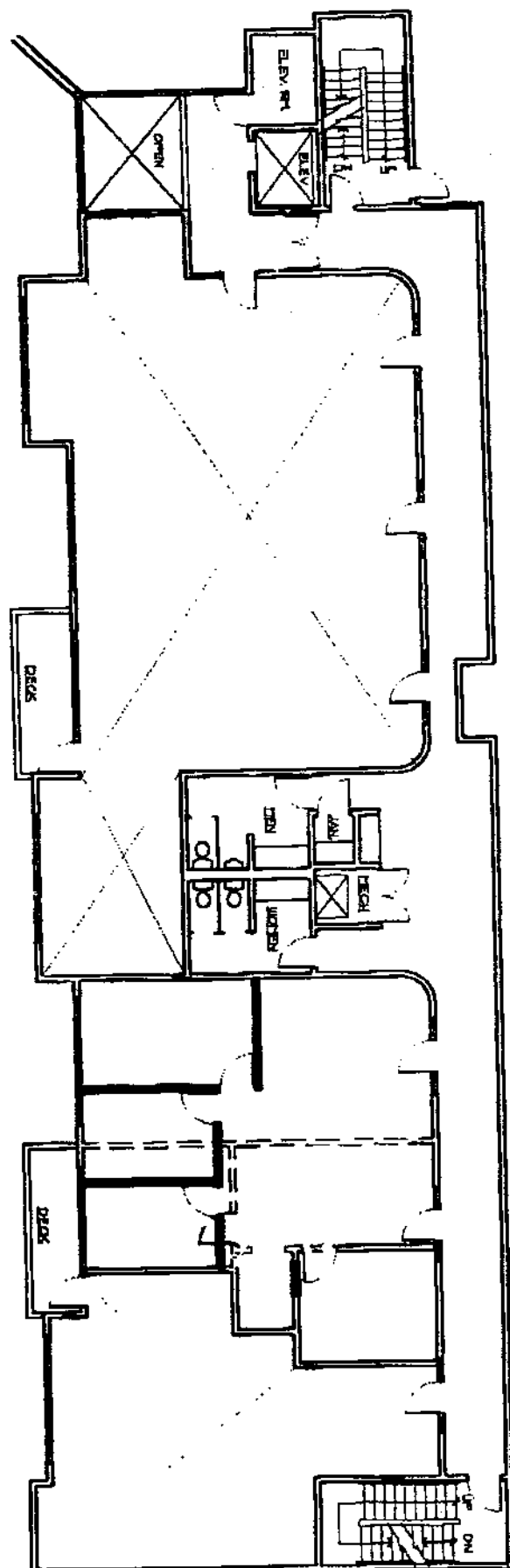


Exhibit B3

## SECOND FLOOR PLAN

2011.11.27



EXISTING WALLS TO REMAIN

**NEW WALLS**

**REMOVE EXISTING WALLS**



Exhibit B4

THIRD FLOOR PLAN

1/8" = 1'-0"



- EXISTING WALLS TO REMAIN
- NEW WALLS
- REMOVE EXISTING WALLS

