

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

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| <b>AGENDA TITLE:</b> | Authorize the City Manager to Enter Into a Lease Agreement with the United States Postal Service for the 20031 Ballinger Way NE Site   |
| <b>DEPARTMENT:</b>   | City Manager's Office  |
| <b>PRESENTED BY:</b> | Dan Eernisse, Economic Development Manager   |
| <b>ACTION:</b>       | <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion<br><input type="checkbox"/> Public Hearing <input type="checkbox"/> Discussion |

**PROBLEM/ISSUE STATEMENT:**

The United States Postal Service (USPS) lost its lease of its North City location and will be vacating the premises by December 31, 2017. USPS representatives contacted City staff to aid with locating temporary, immediately available space for its retail operation, sorting operation, and vehicle parking. Staff directed them to a number of locations and one City-owned property is the preferred location for vehicle parking: the property recently acquired from King County adjacent to its Brightwater utility portal. This City-owned property is located at 20031 Ballinger Way NE (Tax parcel #7417700290). A site map of the property is attached to this staff report as Attachment A.

USPS desires to enter into a lease agreement for the 26,567 square foot property for up to four (4) six-month terms (total of two years). The initial lease term would start December 1, 2017, and would run until May 31, 2018. The three following terms, if optioned by the USPS, would run in six month increments and would conclude on November 30, 2019.

While the 20031 Ballinger Way NE site may factor into long-term Public Works, Parks, or utility use, no immediate use has been identified. Staff involved with long-term maintenance site planning indicated that planning and design for the Ballinger Way NE site will likely take at least two years.

**RESOURCE/FINANCIAL IMPACT:**

USPS will pay the City \$2,400 per month, or \$57,600 if all four lease terms are utilized. Staff does not anticipate significant expense related to the lease, as USPS is responsible for making any as-needed alterations to the site.

**RECOMMENDATION**

Staff recommends that the City Council authorize the City Manager to execute a ground lease agreement with the United States Postal Service for up to two years for the 20031 Ballinger Way NE site.

**ATTACHMENTS:**

Attachment A - 20031 Ballinger Way NE Site Map

Approved By:      City Manager **DT**      City Attorney **MK**

Exhibit A

