

Item No.: 8C_Supp
Date of Meeting: June 7, 2022



THE NORTHWEST
SEAPORT ALLIANCE
Gateway to Solutions

Terminal 18 South Olympic Tug & Barge, Inc. First Reading

Presenter: Erin DeBroux
Title: Sr. Real Estate Manager

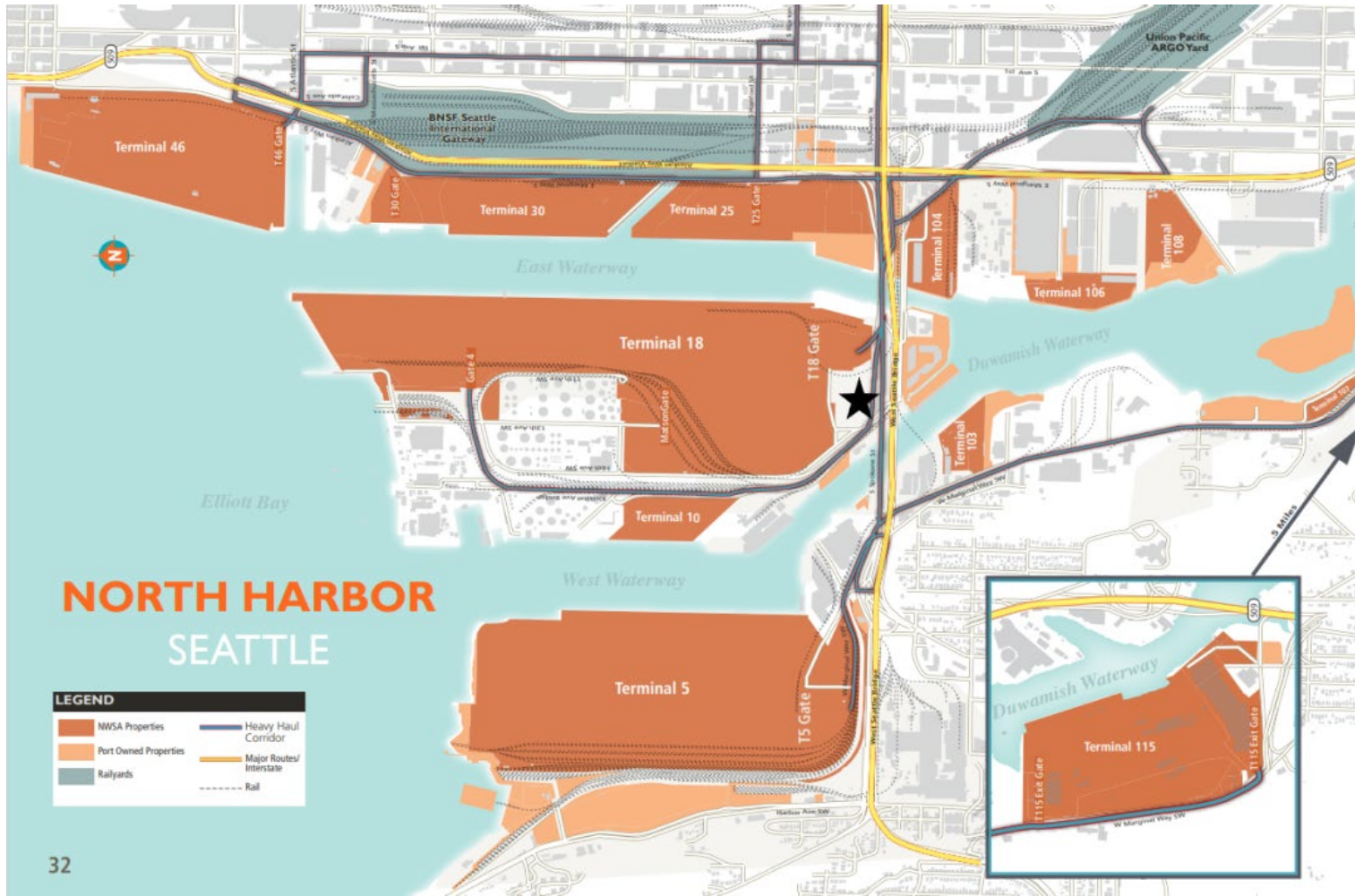
Action Requested

No action is requested at this first reading. The following action will be made at the July 6, 2022 meeting:

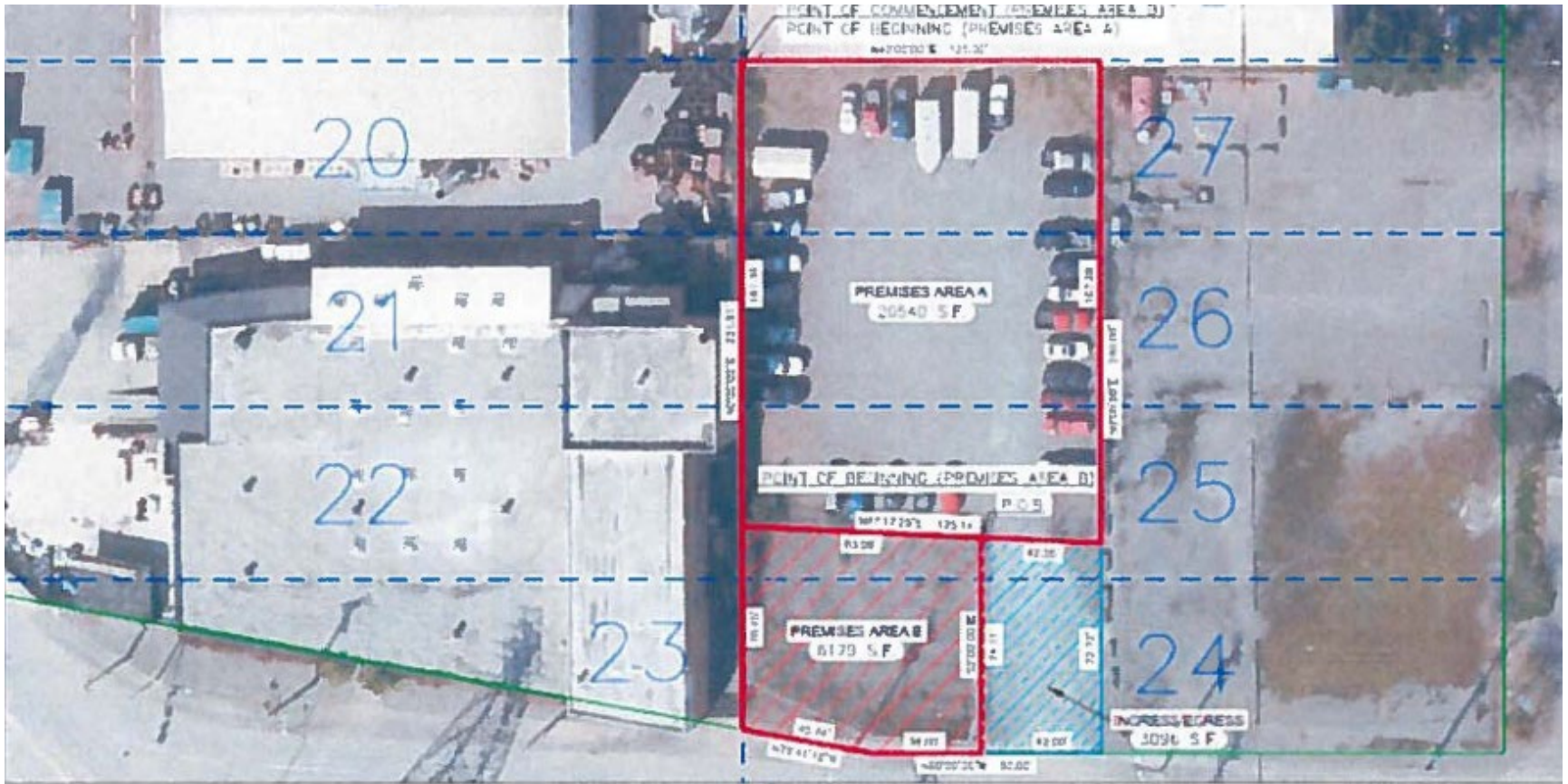
Request Managing Members of The Northwest Seaport Alliance authorization for the Chief Executive Officer or their delegate to execute a new lease agreement with Olympic Tug & Barge, Inc. at Terminal 18 South.



Location



Aerial Plan



Background

- Olympic specializes in marine services, such as tug assists and escorts, marine towing, and ship bunkering.
- Leased Premises since 2014 to support Harbor Island office location.
- Current lease terminated May 31, 2022 and has been placed in Holdover pending Managing Member approval of the new lease.



Key Terms

Premises:	Approx. 26,719 SF, unimproved yard
Commencement Date:	June 1, 2022
Use:	Employee parking and equipment storage
Term:	Initial 2 yr. term plus 3, 1-year options to renew
Rent:	\$8,015.70/Mo. (\$.30/SF) + WA State LET
Escalation:	Annual by CPI
Security Deposit:	3 month's rent + WA State LET
Insurance:	\$2M per occurrence CGL; \$1M per accident Auto
Utilities & Taxes:	Lessee responsible for all utilities and taxes
Maintenance & Repair:	Lessee responsible for all maintenance and repair
Tenant Improvements:	Completed at Lessee's sole cost and expense and subject to prior review and approval by Lessor



Financial Implications

- Initial monthly revenue is \$8,015.70 (\$96,188.40/year) with annual increases by CPI
- Estimated NPV for 5-year term is: \$431,361
- Rate is consistent with unimproved yard rates within Seattle
- There are no capital expenditures associated with this lease



Environmental Impacts / Review

- No improvements, maintenance, or changes in operation requiring permits, authorizations, environmental review are considered as part of this action.



Action Requested

No action is requested at this first reading. The following action will be made at the July 6, 2022 meeting:

Request Managing Members of The Northwest Seaport Alliance (NWSA) authorization for the Chief Executive Officer or their delegate to execute a new lease agreement with Olympic Tug & Barge, Inc. at Terminal 18 South.