

First Reading: Guy F. Atkinson Construction, LLC Lease 3600 Port of Tacoma Rd.

Presenter:

Scott Francis
Director, Real Estate
Port of Tacoma



No action is requested at the First Reading. The following Action Request will be made at the April 21, 2022 meeting.

Authorization for the Executive Director or his designee to enter into a three-year lease with Guy F. Atkinson Construction, LLC. for .52-acre parking area at the Fabulich Center located at 3600 Port of Tacoma Road, Tacoma, WA.

Atkinson – Lease Location



The Fabulich Center



Atkinson – Lease Premises

0.52 acres Gravel Parking



Background



- Guy F. Atkinson Construction, LLC (Atkinson), a subsidiary of Clark Construction Group, located in Golden, Colorado has been building our nation's infrastructure since 1926, serving both public and private-sector clients.
- Atkinson and Clark Construction Group employ 4,200 employees across the country.
- Atkinson is one of the most experienced and diverse heavy civil contractors in the country, with a portfolio that includes major highway expansions, mining and tunneling operations, and some of the world's largest bridges and dams.

Background Continued



- Atkinson has worked on many WSDOT projects that improve the efficient movement of freight to and from the Port of Tacoma and reduce congestion on local roads and highways. These projects include SR 16 Westbound Nalley Valley Interchange, Tacoma I-5 south bound project, 70th Ave overpass, 2 overpasses near JBLM, and SR-509 Veterans Way.
- Atkinson was recently awarded the design-build contract for the SR 167 Completion Project connection between I-5 and SR 509.
- Atkinson has leased office space at the Fabulich Center for the past three-years.

Background Continued



- Atkinson is currently leasing 9,615 sf of office space in the Fabulich Center on a month-to-month lease. They have requested a new three-year office lease for 14,556 square feet.
- To support their increased workforce at the Fabulich Center, Atkinson now wishes to execute a 3-year lease for 0.52-acres of parking area.

Atkinson – Lease Terms



- Use: Personal and company vehicle parking (work trucks – no equipment).
- Premises: Approximately 0.52 acres of parking area.
- Lease Term: Three (3) years.
- Lease Commencement Date: May 1, 2022, subject to approval of the Office Lease.
- Rent: \$3,380/mo. (\$40,560/yr.)
- Rent Commencement: Upon tenant improvement completion.
- Rent Escalation: Annually by CPI-U.
- Initial Security Deposit: \$45,768.00 (one year's rent + leasehold tax).

Atkinson – Lease Terms Continued



- Insurance Requirements:
 - \$2 Million general liability.
 - \$1 Million auto liability.
- Utility Expenses: Lessee's responsibility.
- Parking area to be improved by Atkinson via the Port's Tenant Improvement process.

Atkinson – Lease Benefits



- This Lease supports Atkinson/WSDOT estimated 75 employees working at the Fabulich Center.
- Preserves Atkinson as a long-term land and office tenant at the Port of Tacoma.
- This Lease supports the SR 167 Completion Project.

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