

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

Presenter:

Scott Francis
Director, Real Estate
Port of Tacoma

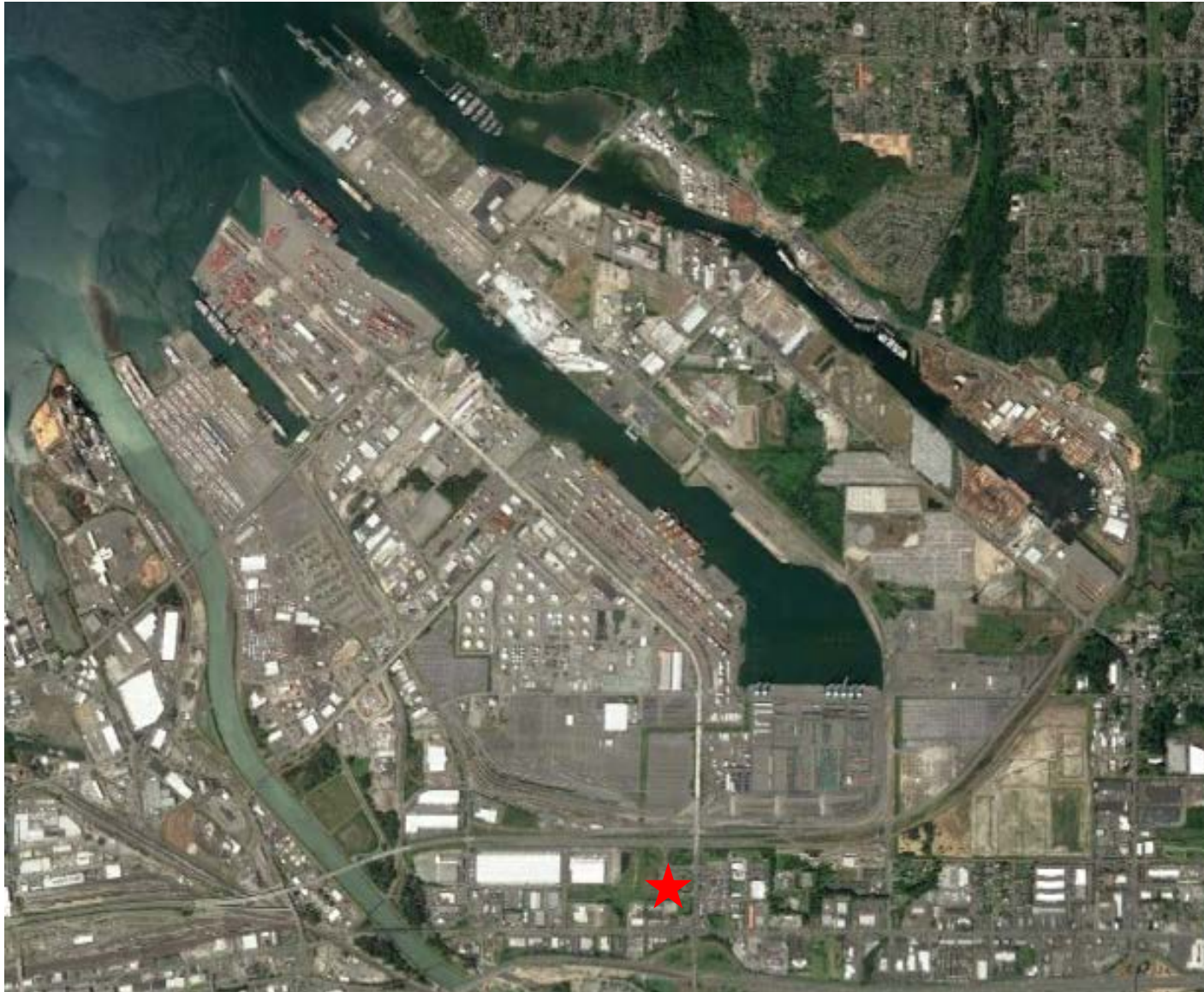


Action Request





Authorization for the Chief Executive Officer or his designee to enter into a three-year lease with Guy F. Atkinson Construction, LLC. for office space located in the Fabulich Center at 3600 Port of Tacoma Road, Tacoma, WA.

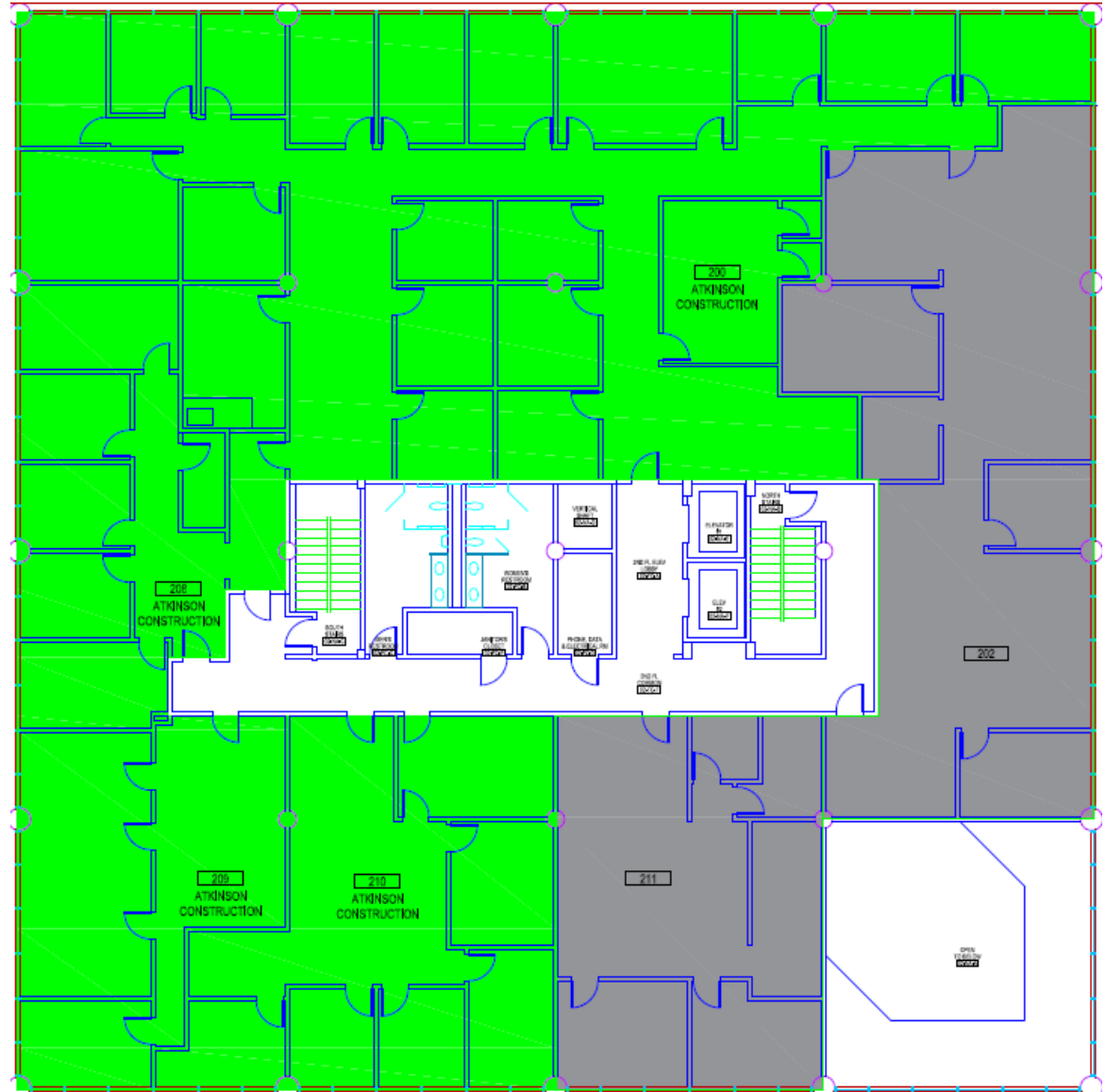
Atkinson – Lease Location



Atkinson – Lease Premises



-  Atkinson Leased Space
-  Unleased Space



Background



- Guy F. Atkinson Construction, LLC (Atkinson), a subsidiary of Clark Construction Group, was founded in 1926. Their corporate headquarters are located in Golden, Colorado.
- Atkinson is a contractor working on the I-5 expansion project.
- Atkinson is currently leasing 9,615 sq. ft. of office space in the Fabulich Center on a month to month lease.
- Atkinson now wishes to convert their month to month lease to a long-term lease.

Atkinson – Lease Terms



- Use: Professional office space.
- Premises: Approximately 9,615 rentable square feet.
- Lease Term: Three (3) years.
- Rent: \$16,425.63/mo. (\$197,107/yr. at \$21.50/sf.)
- Rent Commencement Date: March 1, 2019.
- Rent Escalation: Annual 2.5% increase.
- Utility Expenses: Lessor responsibility.
- Security Deposit: \$222,416 (one year's rent + leasehold excise tax)
- Insurance Requirements: \$2 Million General Liability.
- Building maintenance and repair: Lessor's responsibility.

Atkinson – Lease Benefits



- Atkinson will have about 35 new positions working in Tacoma at the Fabulich Center.
- Continued utilization of Fabulich Building office space.
- Indirectly, this lease supports the I-5 expansion project which promotes the efficient movement of cargo to and from the Port of Tacoma.

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