King County

KING COUNTY

Signature Report

Motion 16905

Proposed No. 2025-0330.1 **Sponsors** Dembowski 1 A MOTION supporting the executive's determination that 2 the former Kent Econo Lodge Motel is surplus to the needs 3 of the county. 4 WHEREAS, the county is the owner of the personal property located at 1233 5 Central Ave N, known as the former Kent Econo Lodge Motel, for COVID-19 isolation 6 and quarantine, and 7 WHEREAS, the former Kent Econo Lodge Motel is sited on leased land that is 8 not owned by the county and is subject to a ground lease that ends on May 11, 2049, and 9 WHEREAS, the former Kent Econo Lodge Motel and ground lease must be 10 declared as surplus personal property to allow for the sale of the personal property and to 11 relieve the county's ongoing ground lease monthly rent payments as well as maintenance 12 and security costs, and 13 WHEREAS, after the former Kent Econo Lodge Motel and ground lease are 14 declared surplus personal property, the county will procure a broker to market the surplus 15 personal property and the county will review offers received, select the best offer, and 16 negotiate and execute a purchase and sale agreement; 17 NOW, THEREFORE, BE IT MOVED by the Council of King County: 18 A. The council approves of the executive's plan to declare the former Kent Econo 19 Lodge Motel and ground lease as surplus personal property and to sell the surplus 20 personal property to provide cost savings to the county.

- B. The executive is authorized to negotiate a sale of the former Kent Econo
- 22 Lodge Motel and ground lease as surplus personal property subject to the provisions of
- 23 K.C.C. chapter 4.56.

Motion 16905 was introduced on 10/14/2025 and passed by the Metropolitan King County Council on 11/18/2025, by the following vote:

Yes: 9 - Balducci, Barón, Dembowski, Dunn, Mosqueda, Perry, Quinn, von Reichbauer and Zahilay

KING COUNTY COUNCIL KING COUNTY, WASHINGTON

-Signed by:

1AEA3C5077F8485...

Girmay Zahilay, Chair

ATTEST:

--- DocuSigned by:

Melani Hay

Melani Hay, Clerk of the Council

Attachments: A. Personal Property Summary Former Kent Econo Lodge Motion to Surplus

Motion 16905

Personal Property Summary for Motion to Surplus

Photo of Property



Address 1233 Central Ave. N, Kent, WA

Appraised Value \$3,520,000 **Leasehold Area** 2.42 acres

Assessor's Parcel 132204-9158 and 132204-9220

Zoning General Commercial

Council District District Five

Funding Source COVID-19 FEMA funds

Declared Surplus N/A **Template Status:** N/A

Property Information

In March of 2020, King County purchased the (former) Kent Econo Lodge hotel facility to provide isolation and quarantine services during the COVID-19 Pandemic utilizing FEMA funds. The purchase was for the facility only, the sale did not include the land on which the

facility stands, so a ground lease lasting until May 11, 2049, was included. At the conclusion of the ground lease, the ownership of the building will revert back to the ground lessor. It is a requirement of the ground lease that upon the end of the lease, the facility is to be used as a functioning commercial hotel which limits the ability of the County to repurpose to affordable housing, as well as the City of Kent's zoning code does not allow for residential use at this location.

Context

After the quarantine and isolation operations ceased in June of 2022, the property and facility were no longer needed by the County and remain unused and vacant today. This vacancy requires 24-hour security to protect the asset. The County currently has a month-to-month agreement with Bowen Scarf Ford to allow parking of overflow vehicles. Because the County no longer has a use for the property consistent with the terms of the ground lease and the local permitting jurisdiction, the asset is surplus to the needs of the County. This surplus is not subject to affordable housing because the facility is considered to be a surplus of personal property since the County does not own the land on which the facility stands. KCC 4.56.040 requires surplus of personal property to be approved by the King County Council via motion if over \$250,000. The Fleet Services Division Director has delegated to FMD's Real Estate Services Section (RES) to determine the best course of action and facilitate this disposition with support as needed provided by Fleet Services.

Rationale for transaction: The County does not have a need for this type of property and there are significant monthly costs that come with holding this facility.

Policy considerations: N/A

Political considerations: The City of Kent desires this location to be used as intended by the original ground lease for the purposes of an operating hotel.

Community considerations

or partnerships: Returning this property to a functioning hotel would support the local Kent economy and businesses.

Fiscal considerations: The purchase price of the personal property and initial improvements were \$4,096,923.37 and was purchased using FEMA COVID-19 funds. FEMA waived all requirements for the property disposition for the (former) Kent Econo Lodge under the COVID-19 declaration. The County does not need to report the sale or reimburse FEMA. Additionally, due to the waiver, there is no requirement for the use of any proceeds for any other federal program. As of July 2025, the County spent approximately \$1,619,297 in additional operating costs since 2020. The month-to-month subtenant, Bowen Scarf Ford, subleases a portion of the property in the amount of \$8,968.75 per month to offset monthly costs.

Other considerations: N/A

CIP/operational impacts: Under the current conditions, the County continues to incur operating costs in the amount of approximately \$65,000 per month to keep this personal property and ground lease in its portfolio. The monthly operational costs include ground lease rent, utilities, repair and maintenance, staff labor, and 24/7 security.

Change in property use: The property will revert to the intended use as a hotel since it is no longer needed for a COVID-19 isolation and quarantine site.

SEPA Review Required yes/no: No

King County Strategic Plan impact: N/A

Equity and Social Justice impact: In accordance with Real Property Asset Management Plan (RAMP) policy, the Facilities Management Division reviewed this legislation for Equity and Social Justice (ESJ) impacts. This sale of personal property is not expected to negatively impact low-income communities, communities of color, or limited English proficient communities.

Surplus Process

Interest from other county agencies? NA

Property suitable for affordable housing? NA, this is not real property

Property determined to be surplus? N/A

Marketing and Sale

Indicate whether the property was marketed or not, and if so, how it was marketed:

| | MLS |
|-------------|---|
| | Commercial Broker |
| | County Website (number of website views:) |
| | Social Media |
| | Onsite Signage |
| \boxtimes | Not Marketed (Council motion required prior to marketing) |

Appraisal Process Summary

Date of valuation: February 28, 2025

Appraised by: Integra Realty Resources-Seattle

Appraisal factors: The market value as is of the leasehold interest in the subject

property as of the effective date of the appraisal, February 7,

2025

Comps analysis: Sales comparison approach and income capitalization approach

were used to determine the reconciled value.

Estimated FMV: \$3,520,000

Appraisal Summary Chart

Reconciliation and Conclusion of Value

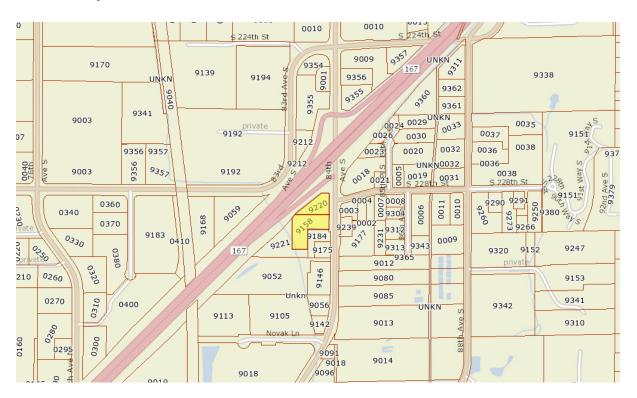
Reconciliation involves the weighting of alternative value indications, based on the judged reliability and applicability of each approach to value, to arrive at a final value conclusion. Reconciliation is required because different value indications result from the use of multiple approaches and within the application of a single approach. The leasehold value conclusions indicated by our analyses are as follows:

| Summary of Value Conclusions-Leasehold Interest | | | | | | |
|---|----------------------------|--------------------|--|--|--|--|
| | | | | | | |
| | As If Rehabbed/Stabilized- | | | | | |
| | Hypothetical Condition | Market Value As Is | | | | |
| Cost Approach | Not Used | Not Used | | | | |
| Sales Comparison Approach | \$4,300,000 | \$3,530,000 | | | | |
| Income Capitalization Approach | \$4,280,000 | \$3,520,000 | | | | |
| Reconciled | \$4,280,000 | \$3,520,000 | | | | |

Vicinity View Map



Parcel Map





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Melani Hay

melani.hay@kingcounty.gov

Clerk of the Council King County Council

Security Level: Email, Account Authentication

(None)

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