

12/02/93
PM:kek

Introduced by: RON SIMS
Proposed No.: 93-912

ORDINANCE NO. **11181**

AN ORDINANCE relating to the authority to lease or rent county real property, amending Ordinance 4233 and 2622, as amended, and K.C.C. 4.56.150 and K.C.C. 4.56.180.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 4233, as amended, and K.C.C. 4.56.150 are hereby amended to read as follows:

Authority to lease or rent. A. If it appears that it is for the best interests of the county and the people thereof, King County may lease any county real property and its appurtenances for a year, a term of years, or other periodic term of one year or more under the limitations and restrictions and in the manner provided in this chapter.

B. King County shall have power to lease such county real property and its appurtenances whether such property was acquired by tax deed under foreclosure proceedings for nonpayment of taxes or whether held or acquired in any other manner.

C. Any lease executed under the authority of the provisions of this section creates a vested interest and a contract binding upon the county and the lessee.

D. King County may enter into rental agreements for a term less than one year, including month-to-month rental agreements, on terms and conditions that are in the best interest of King County. All such rental agreements are subject to approval by the King County executive based on recommendations of the ((real)) property services division. Rental agreements for a term less than one year are exempt from the appraisal and notice requirements pertaining to leases for a year or term of years; provided, that the ((real)) property services division shall maintain a file of appropriate correspondence or such information which leads to a recommendation by the division to the county executive to enter

1 into such an agreement, such information shall be available for
 2 public inspection at the ((~~real~~)) property services division
 3 for one year after termination of such tenancies.

4 E. King County may, in the best interests of King County,
 5 enter into agreements for the use of King County property with
 6 bona fide, nonprofit organizations, with another governmental
 7 agency when the property is to be used for a medical training
 8 and research facility connected with a county hospital, or with
 9 community groups wherein the nonprofit organization,
 10 governmental agency or community group is either to ((either)):
 11 make improvements to the King County property or provide
 12 services which will benefit the public. Such agreements will
 13 be exempt from the requirements of fair market value,
 14 appraisal, and notice. Such agreements are subject to the
 15 approval of the King County executive, based upon
 16 recommendation of the ((~~real~~)) property services division and
 17 the department having custodianship of the property subject to
 18 the agreement, provided that the ((~~real~~)) property services
 19 division shall maintain a file of appropriate correspondence or
 20 such information which leads to a recommendation by the
 21 division to the county executive to enter into such an
 22 agreement, such information shall be available for public
 23 inspection at the ((~~real~~)) property services division for one
 24 year after termination of such tenancies.

25 F. For rental or lease agreements, including concession
 26 agreements, on county parks or open space properties, the parks
 27 ((~~and recreation~~)) division of the parks, planning and
 28 resources department shall have the authorities and
 29 responsibilities specified in Sections 4.56.150 D. and E. for
 30 the ((~~real~~)) property services division.

31 SECTION 2. Ordinance 2622, as amended, and K.C.C.
 32 4.56.180 are hereby amended to read as follows:

33 Lease terms. A. King County may lease real property for
 34 a term of years and upon such terms and conditions as may be
 35 deemed in the best interests of the public and the county. No

1 lease shall be for a longer term in any one instance than ten
2 years; provided that when King County determines it to be in
3 the best public interest, real property necessary to the
4 support or expansion of an adjacent facility may be leased to
5 the lessee of the adjacent facility for a term to expire
6 simultaneously with the term of the lease of the adjacent
7 facility, but not to exceed thirty-five years, provided,
8 further, that when King County determines it to be in the best
9 public interest, where the property to be leased is improved or
10 is to be improved, and the value of the improvement is or will
11 be at least equal to the value of the property to be leased,
12 the county may lease such property for a term not to exceed
13 thirty-five years; provided, further, that where the property
14 to be leased is to be used for public recreation and police
15 training purposes, for a hospital or a medical training and
16 research facility, or for major airport, industrial, or
17 commercial purposes, requiring extensive improvements, the
18 county may lease such property for a term equal to the
19 estimated useful life of the improvements, but not to exceed
20 fifty years; provided further, that leases entered into
21 pursuant to the provisions of Section 4.56.160(D.) may extend
22 for the period of years necessary to amortize the special
23 purpose funds, not to exceed twenty-five years.

24 B. The lessee shall not improve or alter the leased
25 property in any manner without the prior written consent of the
26 county, but shall, before making improvements or alterations,
27 submit plans and designs therefor to the county for approval.
28 In the event that the plans and designs are disapproved, such
29 improvements or alterations shall be made only with such
30 changes as may be required by the county. Unless otherwise
31 stipulated, all improvements or alterations erected or made on
32 the leased property shall, on expiration or sooner termination
33 of the lease, belong to the county without compensation to
34 lessee; provided, however, that the lessor shall have the
35 option, to be exercised on expiration or sooner termination of

1 this lease, to require the lessee to remove any or all such
2 improvements or alterations. If the lessee fails substantially
3 to make the improvements or alterations required of him by the
4 lease, the lease shall be terminated and all rentals paid shall
5 be forfeited to the county.

6 C. Any lease made for a longer period than five years
7 shall contain provisions requiring the lessee to permit the
8 rentals to be adjusted and fixed by King County every five
9 years; provided that any lease may provide for more frequent
10 readjustments. When the lease permits King County to adjust
11 the rent, King County will give the lessee written notice of
12 the adjusted rent, in accordance with the terms of the lease.
13 The rent as adjusted shall take effect thirty days after the
14 date of the notice. Unless the lessee, within thirty days
15 following the receipt of the notice from King County, gives
16 King County written notice of his rejection of the adjusted
17 rent, the rent as adjusted by King County will be the rent for
18 the appropriate period. If the lessee and King County cannot
19 agree upon the rental readjustment, the rent for the period
20 will be adjusted by arbitration. The lessee and King County
21 will select one disinterested arbitrator each, and the two
22 selected arbitrators will select a third. If the two
23 arbitrators have not selected a third arbitrator within thirty
24 days after the selection of the last selected of the two,
25 either the lessee or King County will apply to the presiding
26 judge of the Superior Court in King County for the appointment
27 of a third arbitrator. Each arbitrator will be a member of the
28 American Institute of Real Estate Appraisers, the Society of
29 Real Estate Appraisers, or other appraisal society or
30 association having equivalent ethical and professional
31 standards. If, in the future, a licensing requirement for real
32 estate appraisers is imposed by any legislative body, each
33 arbitrator will also be so licensed. The three arbitrators
34 will determine a fair rent for the premises based upon the fair
35 market rental value of the property, as defined in Section

1 4.56.010. The decision of a majority of the arbitrators will
2 bind both the lessee and King County. At the conclusion of the
3 arbitration, the arbitrators will submit written reports to the
4 lessee and King County. The cost of the arbitration will be
5 divided equally between the lessee and King County.

6 D. Except as provided in subsection D. of Section
7 4.56.160, the rent of all leases of county real property shall
8 be based upon fair market rental value, as defined in Section
9 4.56.010.

10 E. No lease shall be assigned or subleased without the
11 assignment or sublease being first authorized by the county in
12 writing. All leases, when drawn, shall contain this provision.
13 (Ord. 9458, 1990: Ord. 3247 § 3, 1977: Ord. 2622 § 19, 1976).

14 INTRODUCED AND READ for the first time this 13th day
15 of December, 1993.

16 PASSED this 20th day of December, 1993.

17 KING COUNTY COUNCIL
18 KING COUNTY, WASHINGTON

19 Audrey Meyer
20 Chair

21 ATTEST:

22 Gerald A. Oster
23 Clerk of the Council

24 APPROVED this 30th day of DECEMBER, 1993.

25 Don Hill
26 King County Executive