



## City Council

### Approval of Building Lease Renewal for the Alano Club/GHB Building

**Agenda Date:** 8/21/2012  
**Agenda Item Number:** 4.F  
**File Number:** 12-0440

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**Type:** decision   **Version:** 1   **Status:** Passed

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**Agenda Item:**

Approval of Building Lease Renewal for the Alano Club/GHB Building

**Issue:**

Whether to renew the building lease with the Alano Club.

**Committee Recommendation:**

Not referred to a committee.

**City Manager's Recommendation:**

Move to approve and authorize the City Manager to sign the Building Lease Renewal with the Alano Club.

**Staff Contact:**

Thanh Jeffers, Public Works Technical Services, 360.753.8278

**Presenter(s):**

None - Consent Calendar Item

**Background and Analysis:**

The Alano Club is currently leasing the former GHB Insurance Building located at 407 South Water Street, which is a City-owned facility. The Alano Club wants to renew the existing lease for another year.

The property was purchased in 1995 as part of the City's commitment to Heritage Park. Heritage Park, as envisioned in Wilder and White's 1911 Plan for the Capitol Campus extends from the Temple of Justice to Puget Sound. In addition to the Heritage Park Fountain, the City has purchased other properties and is leasing them until all properties are purchased and development funds are identified.

The Alano Club has leased the space for eight years. At this time, the City does not have a need for this building or the property. This is a month-to-month lease. If the City determines it needs the property for another use or if any of the repairs are deemed too expensive, there is an option to terminate the agreement.

**Neighborhood/Community Interests (if known):**

None.

**Options:**

1. Approve and authorize the City Manager to sign the Building Lease Renewal with the Alano Club.

The annual income will benefit the City and the property will be safe and secure from vandals by having the building occupied.

2. Do not approve the building lease renewal with the Alano Club.

The City will no longer generate revenue from the property and it will be at risk from vandalism.

**Financial Impact:**

The new lease amount of \$1,194.00 per month is higher than the previous lease amount due to an annual rate increase of three (3) percent. Revenue will total \$14,328.00 per year.

Per ordinance, revenues collected from this property are assigned to a special account to be used for future acquisition, development and maintenance of the fountain block.