

Human Services Department: ADS Renton Office Lease

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Reasons for Office Move

- Current lease ends August 31, 2024
- Increase client and employee access to transit options
- Increased safety, access to parking
- Trauma-informed design: promotes safety, well-being, and healing
- Fund source: Title XIX Federal Grant fund balance



Triton Towers Three

Office Search

- HSD requested FAS to conduct a search for new office space for Renton ADS offices
- Triton Towers Three met all of HSD's requirements
 - Office tower provides security; close to mass transit services; ample parking; amenities for clients and staff
- New location downsize approx. 65% of current footprint
- City and Triton Towers Three landlord have reached an agreement on the final form of the lease

Estimated 10 Year Rent Savings of \$535K

- Expenditures for new lease and relocation will be covered by **Title XIX Federal Grant fund balance**, will not include GF
- Will result in lower annual rent compared to current expiring lease and significant savings over 10-year lease term
- Potential additional rent savings in 2024 if tenant improvements cost less than estimate
- Smaller footprint with a reduction of 6,848 Square Feet (approx. 35%)
- Move requires one-time costs in 2024 to move furniture, supplies, records, and set up City technology systems, estimated at \$386,000

TERMS	TIME SQUARE (Current)	TRITON TOWERS III (Proposed Office)
1st Year - Monthly Rent	\$49,011	\$39,795 [^]
1st Year – Annual Rent	\$588,130	\$491,863 ^{*^}
IT & Moving – HSD cost	N/A	\$386,000

*Rent will increase annually by \$0.75 per square foot

[^] Estimate



Legislation Requirement

- SMC Sections 3.127.010 and 3.127.020: Leases of office space with a term of more than five years and where the premises exceed 5,000 square feet require City Council authorization for execution by the Director of Finance and Administrative Services
- New lease with Triton Towers Three:
 - 10-year initial lease term—option to extend for two terms of 5 years each
 - 12,410 square feet

Timeline

Date	Action Item
✓ April 23	Lease agreement terms finalized with Triton Towers Three
✓ May 1	Presentation at Finance, Native Communities & Tribal Governments
✓ May 8	Legislation Submitted to Council
June	Committee/Council Votes
TBD	Triton Towers Three Lease Execution (Pending Council Approval) <ul style="list-style-type: none">• Office improvements at Triton Towers Three begin (4 months)• Transition out of existing building begins
August 31	Time Square Lease Ends
September 1	Triton Towers Three Move In (Pending Council Approval)

Questions?