ORDINANCE NO. 1017

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON AMENDING CHAPTER 2.60 OF THE SHORELINE MUNICIPAL CODE IN REGARD TO THE LEASING OF REAL PROPERTY AND VALIDATING PREVIOUS LEASING ACTIONS.

WHEREAS, the City of Shoreline is a non-charter optional municipal code city as provided in Title 35A RCW, incorporated under the laws of the State of Washington; and

WHEREAS, Shoreline Municipal Code (SMC) Chapter 2.60 sets forth the purchasing procedures governing the purchase of supplies, materials, equipment, nonprofessional and professional services, public works projects, as well as acquisition and leasing of real property; and

WHEREAS, SMC 2.60.090(B) sets forth the leasing authority of the City Manager and has remained unchanged since it was adopted in 2001 with the passage of Ordinance No. 272; and

WHEREAS, as the City has engaged in long-term planning of infrastructure, including parks, transportation, and other capital facilities to support growth, the City has acquired real property to accommodate such infrastructure in advance of the actual capital project; and

WHEREAS, it is not in the best interest of the City to allow such real property to be maintained vacant until the capital project commences when the property could be leased for a fair market rent; allowing for both a source of income and ensuring the property does not become a nuisance to the surrounding area; and

WHEREAS, SMC 2.60.090(B) requires amendment to establish new leasing authority both for real property the City has acquired and for property the City may need to lease for its own purposes; and

WHEREAS, the City Council considered the amendments to SMC 2.60.090(B) at its regularly scheduled meeting on July 15, 2024, and determined that the amendments are appropriate and in the best interests of the City;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

- **Section 1. Amendment of SMC 2.60.090.** SMC 2.60.090(B) of SMC Chapter 2.60 Purchasing is amended to read as follows:
 - B. Real Property <u>City Manager's Leasing Authority</u>
 - 1. Leasing of real property for city use.

The city manager or designee is authorized to execute leases of real property <u>for use by city departments</u> on behalf of the city where the term of the lease does not exceed one year and the consideration does not exceed \$50,000 per year.

ORIGINAL

2. A lease that exceeds the limits stated in subsection (B)(1) of this section shall be submitted to the city council for approval Leasing of city-owned real property.

From time to time, the city acquires real property and its improvements for a future capital project. The city council finds that it may be in the best interest of the city to lease such property until such time as the capital project will commence. In such situations, the city manager may execute a lease for a term no longer than five (5) years, including extensions, and for a fair market rent.

In the alternative to the city manager executing a lease as provided above, the city manager may execute a contract with an individual or entity to provide property management services for city-owned property under which the individual or entity will be authorized to negotiate and execute leases on the city's behalf. Any such leases shall be subject to such terms and conditions that the city manager has deemed appropriate and commercially reasonable.

- 3. A lease that exceeds the limits stated in subsections (B)(1) and (B)(2) of this section shall be submitted to the city council for approval.
- **Section 2. Validation of Previous Actions.** All leases negotiated and/or executed by the City Manager, or an entity retained by the City to provide property management services, previously made in favor of the City are declared legal and valid and of full force and effect.
- **Section 3.** Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this Ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.
- **Section 4. Severability.** Should any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to any person or situation.
- **Section 5. Publication and Effective Date.** A summary of this Ordinance consisting of the title shall be published in the official newspaper. This Ordinance shall take effect five (5) days after its publication.

PASSED BY THE CITY COUNCIL ON JULY 29, 2024.

Mayor Christopher Roberts

ORIGINAL

ATTEST:

Jessica Simulcik Smith City Clerk

APPROVED AS TO FORM:

Margaret King City Attorney

Date of Publication: August 1, 2024 Effective Date: August 6, 2024