Q&A from interested Parties

July 30 walkthrough

Master lease and subleasing

When the City refers to a lease to an outside/private operator, could that include a master lease of the existing Building 120 facility, associated parking and defined exterior areas, with the operator permitted to sublease individual offices, suites, shared workspace and appropriate community/recreational areas?

- Yes.

Lease-rate assumptions

The City's materials reference approximately $26–$30/SF NNN and $35–$38/SF gross market comparables. What type, size and condition of properties underlie those estimates, and are they intended only as market reference points ?

- This is intended only as a market reference point .

or as an indication of expected rent for a whole-building operator? Could a future transaction consider stepped rent, initial abatement and/or another structure reflecting lease-up, operating and capital responsibilities

- Too early in the city process no lease structures have been discussed.

Potential path to ownership

Because sale of the property is also being evaluated, could a future long-term lease potentially preserve a pathway toward acquisition—for example, a purchase option, right of first offer/refusal, or other mechanism—subject, of course, to whatever public disposition process and legal requirements would apply?

- There are many property rights transfers that can be considered – if you have some specific thoughts on this please put in your response.

$4.8 million facility estimate

Can the approximately $4.8 million estimate be broken down between:

a. code/life-safety/accessibility work required for a future use;
b. near-term replacement of aging systems;
c. deferred maintenance; and
d. modernization or work associated with restoring the facility to “like-new” condition?

Has the City developed a preliminary view of which items would remain landlord responsibility versus operator responsibility?

- Interested parties should review the Architectural Assessment linked on the project page.

Original second-phase plans

During the walkthrough we understood that an additional building or second phase may once have been contemplated and that some site preparation may have occurred. Can the City confirm whether that is correct and identify what plans, civil/geotechnical work or other records exist regarding that contemplated expansion?

- Interested parties should review the As-Builts plans linked on the project webpage. The city's understanding is that the detailed plans for the second building were never drawn up. Location of that building are shown in the plans for existing facility.

Net development capacity

Has the City or consultant team determined the net developable portion of the property after wetlands and buffers, stormwater facilities, setbacks, utilities, parking and other restrictions are accounted for-

- Yes, preliminarily. Interested parties should review the Wetland Study on the project webpage.

If not, is such an analysis included in the current work?

- No, too preliminary for this to be done – city has no immediate plans to do.

Could future development rights over an appropriate portion of the site potentially form part of a lease or redevelopment transaction?

- Too early in the process to determine.

Land-use and zoning path

My understanding is that the property remains R-6 and that the City has docketed a Future Land Use Map amendment toward Mixed-Use Center, which could enable a subsequent commercial rezoning. What is the expected timing and process for that change, is Community Business still the anticipated zoning, and how would office-based technology/R&D, professional services, flexible workspace and accessory training/event uses likely be treated?

- Additional rezone beyond what is currently docketed is not planned. The current rezone may be completed by end of year. Community business is the docketed rezone. See Sammamish Development Code 21.04.020 for allowable use.

Existing YMCA and Microsoft commitments

For purposes of evaluating a future whole-building operation, what assumptions should a prospective operator make regarding the YMCA agreement and Microsoft's parking lease at the time a new operator might take possession—including space, hours, parking stalls, renewal/termination provisions and any rights expected to continue?

- These leases currently expire 12/31/26. Both have clauses for 30-day termination notice.

August 14 interest form / consortium structure

The interest form asks about financial capacity, staffing, insurance and experience operating facilities comparable to Building 120. For this information-gathering phase, should respondents answer solely on the basis of their organization's current standalone capabilities, or may they describe an intended consortium/JV involving experienced operating, property-management and capital partners? If so, what level of partner commitment would be useful at this stage?

- Yes, you may describe possibilities you think are suitable.

Decision process after August 14

What happens after the August 14 responses are received: when will the consultant team report back, who will formulate recommendations, and what options does Council expect to compare?

- Staff or consultants won't be making recommendations, but rather share info gathered. Council has the option to continue existing feasibility study (detailed on project page), begin process for pursuing a lease with third-part operator, continue exploring options to sell. The Council will receive this info at their Sep 15 study session. (Action does not occur at study sessions. Staff will need to return at a later meeting for Council to make a motion for future direction of the project.)

Have evaluation criteria been established for factors such as City revenue, operating/capital obligations, community benefit, economic development and private investment?

- Too early in the process for any of the above.

Also, will current respondents be notified of any later leasing, sale or redevelopment solicitation?

- Yes