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July 8, 2022

The Honorable Claudia Balducci Chair, King County Council Room 1200 C O U R T H O U S E

Dear Councilmember Balducci:

This letter transmits a proposed Ordinance that, if enacted, will amend King County Code (KCC) 4.56.075 regarding a capital investment requirement for leases of county-owned space. This proposed Code change is related to a proposed lease with the Ardagh Glass, Inc. for county-owned space located at 5245, 5427, and 5445 Ohio Avenue S, Seattle, which is being transmitted to the King County Council concurrently, under separate cover.

The proposed Code amendment would specifically apply to financial investment properties as follows:

- 1. Where a county-owned property is sought to be leased by the owner of an adjacent property with a manufacturing facility, and;
- 2. the owner of the adjacent manufacturing facility agrees to make a capital investment that will improve the environmental performance of the facility, and;
- 3. for a term longer than ten years, but not to exceed twenty years, if reasonably necessary to provide sufficient time to amortize the capital investment.

This proposed Code amendment is necessary to address the unique opportunity presented in the Ardagh Glass, Inc. lease proposal, which includes environmentally-based capital upgrades to property owned by the Ardagh Glass, Inc. adjacent to the County property that is the subject of the lease proposal. The current King County Code limits the capital investment requirement to the County-owned land to be leased.

This transaction supports the King County Strategic Plan goals of economic vitality and efficient, accountable regional and local government..

Thank you for your consideration of this proposed Ordinance.

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If your staff have any questions, please contact Anthony Wright, Director, Facilities Management Division at 206-477-9352.

Sincerely,

Dow Constantine

King County Executive

cc: King County Councilmembers

ATTN: Stephanie Cirkovich, Chief of Staff

Melani Pedroza, Clerk of the Council

Shannon Braddock, Chief of Staff, Office of the Executive

Karan Gill, Deputy Chief of Staff, Office of the Executive

Mina Hashemi, Council Relations Director, Office of the Executive

Caroline Whalen, County Administrative Officer, Department of Executive Services (DES)

Anthony Wright, Director, Facilities Management Division (FMD), DES Julie Ockerman, Interim Manager, Real Estate Services, FMD, DES