

Item No. \_\_\_\_\_5b-attach\_\_\_\_\_

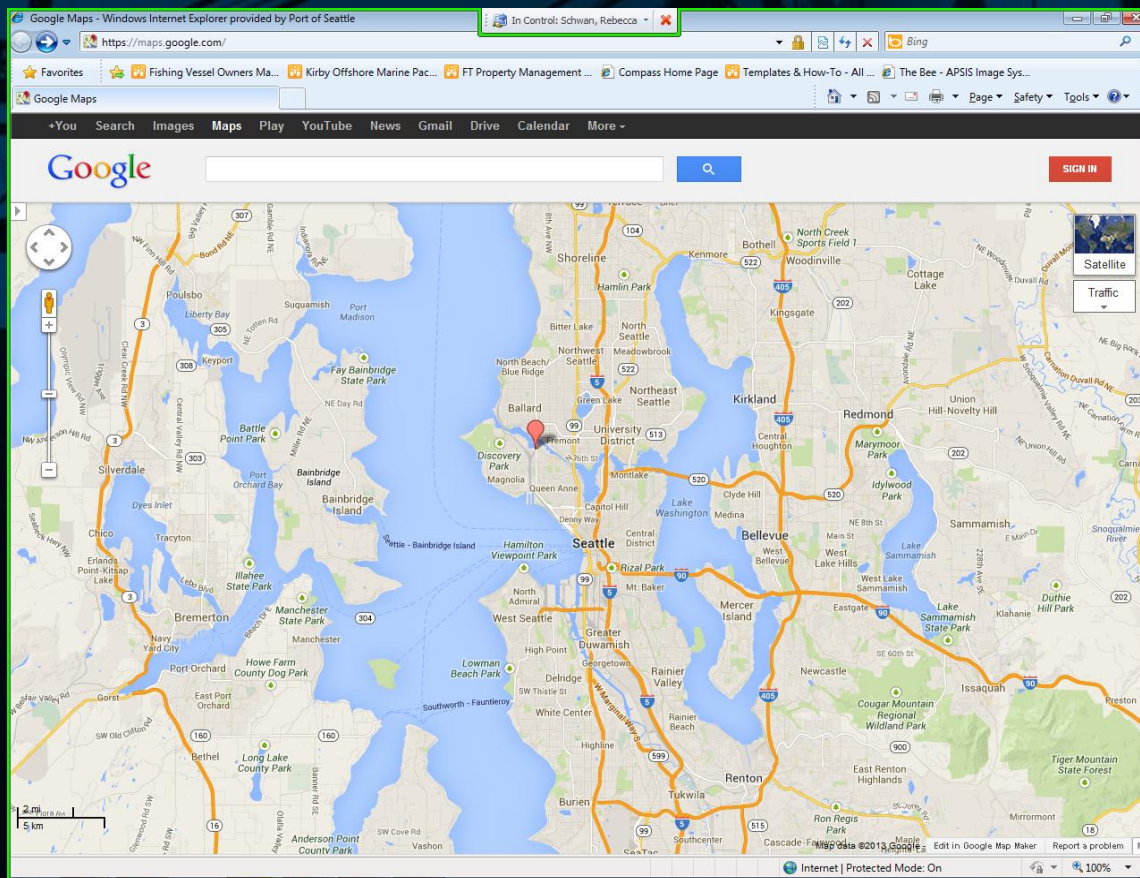
Date of Meeting \_\_\_\_\_October 8, 2013\_\_\_\_\_

Port  
of Seattle

**Revised 10/04/2013**

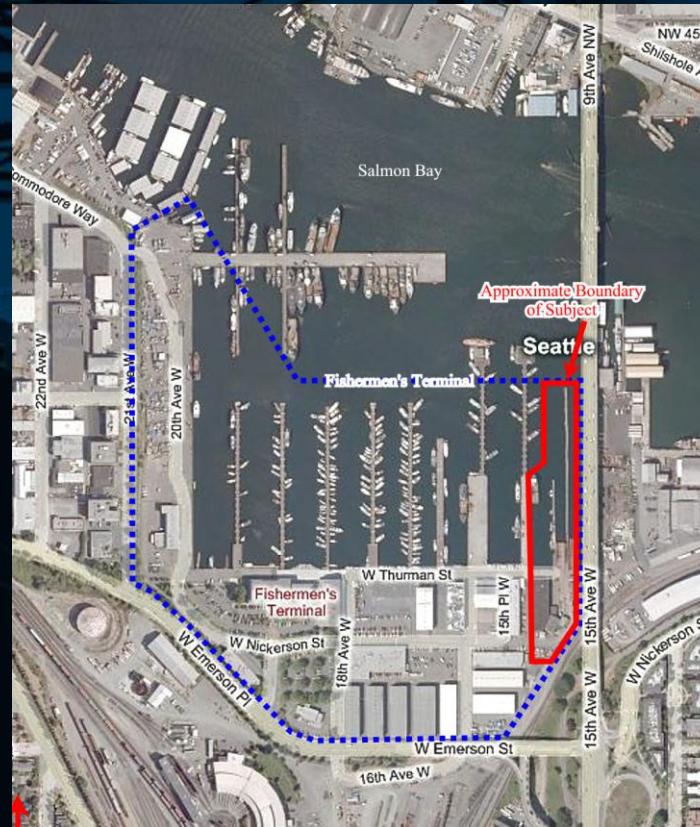
Fishing Vessel Owners Marine Ways Lease  
October 8, 2013

# 1511 West Thurman





# Aerial of Fishermen's Terminal



# Aerial of Lease Premises





## Background

- First tenant of the Port of Seattle
- Marine vessel repair and dry dock operation established in 1919
- Water dependent commercial maritime tenant
- Provider of direct support to the commercial fishing industry
- Provider of living wage union jobs to dozens of highly skilled shipwrights, millwrights, machinists, welders and other skilled workers

# Market Conditions & Rate Setting

- Overview of Market
- Methodology
  - Request for Proposal

# Terms of Lease

	Lease Proposal Response to RFP	Area
Office	\$10.00/sf/yr	2,800 sf
Warehouse	\$5.00/sf/yr	15,683 sf
Land/Yard	\$1.58/sf/yr	28,183 sf
Submerged Land	.22/sf/yr	136,138 sf

## Other Business Terms

- Term: **10** years w/ two 5-year options to renew at market rate
- Rent increase: Annual CPI increase
- Maintenance: No Port responsibilities
- Tenant improvements: None
- Net Present Value: \$810 thousand
- Broker fee: None



THIS INDENTURE, made this thirtieth day of April, 1919, between  
PORT OF SEATTLE, a duly organized port district under the laws of the  
State of Washington, hereinafter called the "Lessor", and FISHING  
VESSEL OWNERS MARINE WAYS, Inc., a corporation under the laws of  
the State of Washington, having its principal place of business at  
Seattle, hereinafter called the "Lessee".

W I T N E S S E T H :

That in consideration of the covenants and promises of the said  
lessee herein contained, the said lessor does now hereby lease and  
deeds unto the said lessee that part of the property of the lessor  
situated near its Salmon Bay Dock in the City of Seattle, County of  
King, and State of Washington, described as follows, to-wit:

- One (1) 500-ton Marine Ways.
- One (1) 50-ton Marine Ways.
- One (1) concrete walk along side of Fifteenth Avenue Northwest  
Bridge.

Two (2) Platforms.  
One (1) Counterfort.  
One (1) Line of Flicets between Ways.  
One (1) Engine House and hoisting equipment,  
also lockers adjoining engine house.  
together with the land upon which the same is situated, and which is  
shown in red on the attached blue print, for the term of five (5)  
years from the first day of May, 1919, to the thirtieth day of April,  
1924, both days inclusive, at the monthly rent, payable in advance,  
on the first day of each month, of Two Hundred <sup>Ten</sup> Dollars (\$210.00) per  
month.

And the said lessee covenants and agrees that the said lessee  
~~XXXXXX~~ will furnish its own light, power and water, and will  
keep the said premises free from all claims and liens whatsoever,  
and will keep all the said premises and appurtenances in as good  
state of repair and condition as they now are, and at the expiration  
of the said term, or any sooner termination hereof, will restore the  
said premises and every part thereof to the said lessor in as good  
state and condition as the same now are, damage by fire excepted.

It is further covenanted and agreed that said lessee will  
pay the said rent as hereinabove provided and will not use the said  
premises except for marine ways and for landings for boats and  
vessels and for marine shops and equipment for the repair of vessels,  
without the written consent of the lessor.

The lessee further covenants that owners of vessels who are  
not stockholders of said lessee shall at all times be accorded the use  
and service of said leased equipment and premises upon the same terms  
as its stockholders.

Said lessee further covenants and agrees that it will not  
assign this lease or sublet the said premises or any part thereof with  
out such written consent, and that in case of the breach of any coven-  
ant herein contained or in case the said lessee shall become insolvent  
or a receiver thereof shall be appointed, or there shall be any invol-  
untary assignment of said lease by operation of law or otherwise,  
this lease may be canceled at the option of the lessor.

IN WITNESS WHEREOF the parties hereto have executed these  
presents the day and year in these presents first above written.

PORT OF SEATTLE,  
By W. T. Christensen  
Acting President.  
And J. D. Kippy  
Secretary.

FISHING VESSELS OWNERS MARINE WAYS, INC.,  
By W. G. Sanderson  
President  
And O. O. Hartman  
Secretary.



If it is desired that this lease be recorded in the office of the County Clerk of King County, Washington, it is hereby authorized that the same be so recorded.

STATE OF WASHINGTON:  
COUNTY OF KING

THIS LEASE BEING the same as that of the 19th day of June, 1919, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally known to me as W. T. Christensen, to me known to be the Acting President, and E. J. Lippy, to me known to be the Secretary of the Port Commission of the Port of Seattle, the corporation which executed the above and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the use and purpose therein mentioned, and on oath stated that they were authorized to execute the same and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal the day and year in this certificate first above written.

*Lawrence Patterson*  
Notary Public in and for the State of Washington residing at Seattle.

STATE OF WASHINGTON:  
COUNTY OF KING

THIS IS TO CERTIFY that on this 19th day of June, 1919, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally came B. A. Sandstrom to me known to be the President, and O. G. Rystrom, to me known to be the Secretary of FISHING VESSELS OWNERS MARINEWAYS, INC., the corporation which executed the above and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the use and purpose therein mentioned, and on oath stated that they were authorized to execute the same and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal the day and year in this certificate first above written.

*Lawrence Patterson*  
Notary Public in and for the State of Washington, residing at Seattle.

and Roadway