



# Commercial Leasing Overview

City of Tacoma | Community and Economic Development  
**Economic Development Committee**

**DATE**  
**ITEM #2**



## OVERVIEW



This presentation is to provide information regarding:

- Commercial Leasing Laws
- Commercial Leasing Process
- Available Resources

## Commercial Lease Law



**RCW Title 59:** Landlord & Tenant Law has few specifics that apply to commercial leases.

### **Lease Requirements:**

- Leases over 1 year must be in writing
- Must state the lease term and rental costs
- Must be signed by both parties, landlord's signature must be notarized
- Notice requirements for termination range from 20 to 30 days except for defaults – 3 to 5 days to pay or vacate

3

## Commercial Lease Law



### **No Commercial Lease Legal Requirements for:**

- Length of Lease
- Rental rates
- Renewal Terms
- Security Deposits
- Recording
- Disclosures
- Notice requirements for termination range from 20 to 30 days 4

## Commercial Lease Process



### Commercial Leasing Process – After Site Selection

#### ☐ Letter of Intent

- ❖ Sets out mutual expectations of basic lease terms
- ❖ Includes a feasibility period

#### ☐ Lease Negotiation and Tenant Improvement Design

- ❖ Final lease includes terms for construction process and maintenance responsibilities
- ❖ Typically lease not signed until Tenant Improvement package is clarified

#### ☐ Lease Execution and Construction

- ❖ Construction begins after lease is signed

5

## Available Resources



**The following resources are available to businesses within the City of Tacoma:**

- Property Searches and Demographic data from our Make it Tacoma website
- Facilitation with permitting processes – CEDD
- Minority Business Development Agency – can refer to legal assistance for qualified businesses
- Spaceworks Tacoma and other Chamber Programs
- Small Business Administration
- Service Corps of Retired Executives (SCORE) – mentorship
- Wayfind – legal resource assistance, Seattle

6

## CED Actions



- Consistent interaction with local businesses
  - BRE visits
  - Neighborhood business districts, associations, and community groups
  - Provide networking opportunities among peer businesses
- Consistent interaction with real estate community
  - Understand market dynamics
  - Facilitate services as needed
  - Outreach on available properties

7

## Discussion



### **City of Seattle Legacy Business Program**

- Developed over a 3 year period, implementation planned for late 2019
- Components include:
  - Technical Assistance
    - Succession Planning
    - Lease Negotiation and Space Planning
  - Legacy Business Promotion and Marketing
  - Data Analytics
  - Commercial Lease Negotiation Policy Tools

8