

COVER MEMO

Briefing Date/Time: September 22, 2025

Staff Contact/Title: Mike Reid, Director of Community and Economic Development 360.764.5395, MikeR@portolympia.com

Subject: RHA Liberty Group LLC Lease Amendment No. 5

Purpose: ☐ Information Only ☒ Decision Needed

CONSENT ITEM

Background:

In 2018 RHA Liberty Group (RHA) was assigned this lease from the Harbor Wholesale. Harbor Wholesale Grocery Inc. was assigned the lease from ASKA Company in 2007. The land lease is located in the New Market Industrial Campus at 819 78th Ave SW, Tumwater WA. The current lease term is February 1, 1996 through January 31, 2026 with one 20-year option. RHA has and remains in good standing throughout the term of their lease.

RHA Liberty Group, LLC has been a proud Port of Olympia tenant since 2018. They were delighted to find a location and building that far exceeded their expectations. RHA has subleased the building since 2018 to RHD Enterprises, Inc., a Woman & Minority-Owned General Contractor that specializes in federal, state, private and industrial construction with a metal fabrication subdivision. RHA is committed to maintaining a strong presence at the Port and continuing to support economic development in the region. As operations evolve, they remain open to new opportunities that align with their long-term goals and the Port's vision for growth.

RHA now desires to amend the terms and conditions of the lease and exercise their 20-year lease option. The leased premises is being reduced from 2.5 acres to 70,019 total square feet between the primary and stormwater properties. The new term would be extended beginning on February 1, 2026 and ending on January 31, 2046. The rent rate and surety requirement is also being adjusted as reflected on page 2 of the amendment.

The maintenance and repair shall be amended to reflect the tenants duty to maintain and repair, including but not limited to improvements and landscaping on the Primary and Stormwater properties. In addition Center Street Improvements shall be added to the lease in the event of future development requiring the tenant to amortize its pro rata share of such improvement cost over a period of ten years as described on page 3 of the amendment.

Use Agreement shall be added to the lease in the event an adjacent property owner seeks to utilize any portion of the Stormwater infrastructure and/or area located on the Stormwater property with respect to future development projects. The tenant shall cooperate fully with landlord in the negotiation and execution of an use agreement of shared use of the Stormwater property.

The rest and remainder of the original lease shall remain in full force and effect.

Documents Attached:

Exhibit D – The Premises

Copy of Lease Amendment #5

Summary and Annual Financial Impact:

February 1, 2026 – January 31, 2031	\$31,424.88 / Annually
February 1, 2031 – January 31, 2036	\$34,833.84 / Annually
February 1, 2036 – January 31, 2041	\$38,761.92 / Annually
February 1, 2041 – January 31, 2046	\$43,209.36 / Annually

Affected Parties:

Port of Olympia, RHA Liberty Group LLC and RHD Enterprises Inc.

Staff Recommendation:

Approve lease amendment No. 5 as presented on the consent calendar.