

Legislation Text

File #: 15-21872, Version: 1

Lease of City-owned Property at the JW Clay Parking Deck

Action:

- A. Adopt a resolution to approve a lease agreement with Marib Coffee Co., with a 63-month term for retail space at the JW Clay Parking Deck,**
- B. Authorize the City Manager to renew the lease for up to one, five-year term, and**
- C. Authorize the City Manager, or his designee, to negotiate and execute all documents necessary to complete the transaction.**

Staff Resource(s):

Brent Cagle, CATS
Kelly Goforth, CATS
Lori Lencheski, CATS

Explanation

- The JW Clay Parking Deck is on the LYNX Blue Line Extension in Council District 4 and incorporates approximately 15,470 square feet of leasable space for office and retail, per the Transit Oriented Development ordinance.
- The leasable spaces within the JW Clay Parking Deck provide opportunities for retail and businesses to offer goods and services to customers using the Blue Line, along with walk-up customers from surrounding areas.
- Marib Coffee Co. proposes to operate a coffee and pastry shop.
- The terms of the lease agreement are as follows:
 - Approximately 2,352 square feet of retail space in the JW Clay Parking Deck (Suite 223);
 - A 63-month term, with one option to extend the lease term for an additional five years;
 - Lease amount of \$4,900 per month (\$58,800 annually) for year one, escalating at a rate of three percent annually for each year thereafter. This rate is consistent with market rates; and
 - The tenant would pay a share of common area maintenance costs.
- Tenants are responsible for improvement costs related to upfit of the retail space.
- The city agrees to reimburse tenant improvement costs only if the city terminates the lease during the initial term for transit-related activity. The total amount of reimbursable expenses shall not exceed \$40 per square foot or \$94,080.

Charlotte Business INclusion

This contract is exempt under the CBI Program.

Fiscal Note

Funding: Revenues from the lease will be deposited in the CATS Operating Budget

Attachment(s)

Resolution