

Legislation Text

File #: 15-20916, Version: 1

Lease of City-Owned Property at University City Boulevard Parking Deck

Action:

- A. Adopt a resolution to approve a lease agreement with Greyhound Lines Inc. with a 63-month term for retail space in the University City Blvd Parking Deck and non-exclusive use of two bus bays,**
- B. Authorize the City Manager to renew the lease for up to two, 60-month terms, and**
- C. Authorize the City Manager to negotiate and execute all documents necessary to complete the transactions.**

Staff Resource(s):

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Explanation

- The University City Blvd. (UCB) Parking Deck on the LYNX Blue Line Extension (BLE) in Council District 4 incorporates approximately 11,495 square feet of leasable space for office and retail, per the Transit Oriented Development Ordinance.
- The leasable spaces provide opportunities for retail and business firms to offer goods and services to customers using the BLE, along with walk-up customers from surrounding areas.
- Greyhound Lines Inc. (Greyhound) proposes using this space to provide intercity bus service.
- Greyhound is currently leasing city-owned property at 601 W. Trade St. but is required to vacate for future construction of the Charlotte Gateway Station. A new location is necessary for Greyhound to continue providing intercity bus service.
- The provision of light rail, local bus, and intercity bus services at this location will enhance transportation options for the community and CATS riders.
- The lease terms include:
 - Premises: Approximately 2,472 square feet of retail space at UCB Parking Deck (Unit 215);
 - Base Rent: \$4,223 per month (\$50,676 per year) for year one, escalating at a rate of 3 percent annually for each year thereafter. This rate is consistent with market rates; and
 - Tenant would pay a share of common area maintenance costs.
- Tenant is responsible for improvement costs related to upfit of the retail space, and costs related to capital improvements to the bus bays.
- The city agrees to reimburse tenant for tenant improvement costs (upfit) only if the city terminates the lease during the initial term for transit-related activity. This does not include reimbursement for capital improvements to the bus bays. The total amount of reimbursable expenses shall not exceed \$40 per square foot or \$98,880.

Charlotte Business INclusion

This is a real estate leasing and acquisition contract and is exempt (Part A: Appendix 1.27 of the Charlotte Business INclusion Policy).

Fiscal Note

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

Attachment(s)

Resolution