

Legislation Text

File #: 15-17746, Version: 1

Lease of City-Owned Property in the JW Clay Parking Deck to IvyRehab

Action:

- A. Adopt a resolution authorizing the City Manager to execute a retail lease agreement with IVYREHAB University NC, LLC, operating as IvyRehab, for the lease of approximately 2,604 square feet in the JW Clay Parking Deck for a 10-year term with extension options, and**
- B. Authorize the City Manager to negotiate and execute all documents necessary to complete the transaction with IVYREHAB University NC, LLC, operating as IvyRehab, at the JW Clay Parking Deck.**

Staff Resource(s):

John Lewis, Jr., CATS
Allen C. Smith III, CATS

Explanation

- The JW Clay Parking Deck on the LYNX Blue Line Extension (BLE) in Council District 4 incorporates 15,470 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 and to walk-up customers from surrounding areas.
- IvyRehab proposes to open a facility for providing physical, speech, and occupational therapy and other ancillary uses.
- The lease terms are:
 - Approximately 2,604 square feet of retail space in the JW Clay Parking Deck (Suite 224);
 - 10-year term with two options to extend the lease term for an additional 60 months each;
 - A base rent of \$5,425 per month (\$65,100 per year) 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.
- The tenant is responsible for improvement costs related to up-fit of the parking deck office and retail space.

Fiscal Note

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

Attachment(s)

Resolution