

Legislation Text

File #: 15-19332, Version: 1

Lease of City-Owned Property at JW Clay Parking Deck

Action:

- A. Adopt a resolution to approve a lease agreement with Carolina Fit Foods, LLC, operating as Project Lean Nation, with a 63-month term for retail space in the JW Clay Parking Deck,**
- B. Authorize the City Manager to renew the lease for up to one, 60-month term, and**
- C. Authorize the City Manager 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 serves the LYNX Blue Line in Council District 4 and incorporates approximately 15,470 square feet of leasable space for office and retail, in accordance with the Transit Oriented Development ordinance.
- The leasable spaces provide opportunities for retail and business firms to offer goods and services to customers using the Blue Line, along with walk-up customers from surrounding areas.
- Project Lean Nation proposes to open a facility for selling supplements; hygiene products and services; wellness and nutrition consumables; and prepackaged meals.
- The terms of the lease agreement are as follows:
 - Approximately 1,711 square feet of retail space in the JW Clay Parking Deck (Suite 211);
 - A 63-month term, with one option to extend the lease term for an additional 60 months;
 - Rent in the amount of \$3,564.58 per month (\$42,774.96 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.
- Tenants are responsible for improvement costs related to upfit of the parking deck office and retail space.
- The city agrees to reimburse the tenant for 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 \$68,440.

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