



CITY OF SALEM

585 Liberty St SE
Salem, OR 97301

Staff Report

File #: 17-404

Date: 8/14/2017

Version: 1

Item #:

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Kristin Rutherford, Director Urban Development Department

SUBJECT:

Lease extension and amendment with Shires Properties, LLC to secure proposed Salem Police Facility site.

Ward(s): 1

Councilor(s): Kaser

Neighborhood(s): CANDO

ISSUE:

Shall the City Council authorize the City Manager to execute the attached lease amendment with Shires Properties, LLC to secure the site of the proposed Police Facility?

RECOMMENDATION:

Authorize the City Manager to execute the attached lease amendment with Shires Properties, LLC to secure the site of the proposed Police Facility.

SUMMARY AND BACKGROUND:

With the successful passage of the Police Facility Bond Measure, the City is proceeding with plans to construct a new facility to house the Salem Police Department. On February 29, 2016, City Council selected the former O'Brien auto dealership site (Site) (Attachment 1) as its preferred location. On June 27, 2016, Council authorized the City Manager to execute a lease with the owners to secure the Site in anticipation of a bond referendum to fund construction of the Facility. The Lease was amended on June 22, 2017, to extend the term through June 30, 2018, and update rental payment terms (Attachment 2). Due to timing constraints in the Lease and time needed to complete the appraisal for the site, an amendment is required to complete a Purchase and Sale Agreement for acquisition of the site.

FACTS AND FINDINGS:

Shires Properties, LLC (Seller), whose principals are Carol T. Shires and Scott T. Shires, is the owner of the Site. Staff and Seller have come to terms on a lease amendment (Attachment 3), securing the site in anticipation of a purchase and sale agreement to be completed in late summer or early fall 2017.

The sole change to the Lease provided for in the amendment is to allow a Purchase and Sale Agreement to be executed no later than September 30, 2017.

Clint Dameron
Real Property Services Manager

Attachments:

1. Site Map
2. Current Lease (as amended)
3. Proposed Lease Amendment

August 14, 2017