

Legislation Details (With Text)

File #: 17-218 **Version:** 2

Type: Action Item **Status:** Passed

In control: City Council

On agenda: 6/12/2017 **Final action:** 6/12/2017

Title: Avis Budget Car Rental, LLC Terminal Lease, Salem Municipal Airport

Ward(s): 2
Councilor(s): Andersen
Neighborhood(s): SEMCA

Sponsors:**Indexes:****Code sections:**

Attachments: 1. Proposed Lease

Date	Ver.	Action By	Action	Result
6/12/2017	2	City Council	approved	Pass

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Kristin Retherford, Urban Development Director

SUBJECT:

Avis Budget Car Rental, LLC Terminal Lease, Salem Municipal Airport

Ward(s): 2
Councilor(s): Andersen
Neighborhood(s): SEMCA

ISSUE:

Shall City Council authorize the City Manager to execute a lease with Avis Budget Car Rental, LLC from August 1, 2017, through July 31, 2022?

RECOMMENDATION:

Find that the City-owned terminal space at the Salem Municipal Airport is not needed for public use and authorize the City Manager to execute the attached lease with Avis Budget Car Rental, LLC from August 1, 2017, through July 31, 2022.

SUMMARY AND BACKGROUND:

Avis Budget Car Rental, LLC has been a long standing tenant at the Salem Municipal Airport, offering car and truck rental services to residents and visitors to the Salem area. Terminal leases support aviation operations by generating revenue for the Airport.

FACTS AND FINDINGS:

Key terms and conditions in the new Lease (Attachment 1):

1. Lease term of five years: August 1, 2017 - July 31, 2022;
2. Base monthly lease rate of \$1.50 per square foot for 391 square feet;
3. Tenant will pay additional rental charges for vehicle parking, a car wash area, and a storage area totaling \$900 per month;
4. In addition to monthly rent, Tenant will also pay a percentage of gross revenues equal to 5.0% as described in the Lease;
5. There are no tenant improvement costs or rent concessions given in the Lease.

Total rental and parking revenue (not including 4% revenue sharing) over the lease term totals \$89,190.

Clint Dameron
Real Property Services Manager

Attachments:

1. Proposed Lease

5/9/2017