

Legislation Details (With Text)

File #: 17-529 **Version:** 1

Type: Action Item **Status:** Passed

In control: City Council

On agenda: 11/13/2017 **Final action:** 11/13/2017

Title: Liberty Parkade retail lease with Feinstrasse LLC

Ward(s): 1
Councilor(s): Kaser
Neighborhood(s): CANDO

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

Attachments: 1. Proposed Lease

Date	Ver.	Action By	Action	Result
11/13/2017	1	City Council	approved	Pass

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Kristin Retherford - Director, Urban Development Department

SUBJECT:

Liberty Parkade retail lease with Feinstrasse LLC

Ward(s): 1
Councilor(s): Kaser
Neighborhood(s): CANDO

ISSUE:

Shall the City Council:

1. Find that the City-owned leasehold space located at 365 Ferry Street SE, Suite A is not needed for public use; and
2. Authorize the City Manager to execute the attached retail lease with Feinstrasse LLC?

RECOMMENDATION:

1. Find that the City-owned leasehold space located at 365 Ferry Street SE, Suite A is not needed for public use; and
2. Authorize the City Manager to execute the attached retail lease with Feinstrasse LLC.

SUMMARY AND BACKGROUND:

The retail space at 365 Ferry Street SE, Suite A, has been vacant since the former tenant vacated the space on April 30, 2017, and staff has been marketing the space to potential users.

FACTS AND FINDINGS:

Staff has come to terms on a proposed lease (Attachment 1) with Feinstrasse LLC (dba Capitol Cryo), whose members are Joy A. Dawson and Vincent C. Dawson (disclosure: Vincent Dawson is a City of Salem Police Department employee). Capitol Cryo provides cryotherapy services to the public to promote wellness, provide pain relief, and promote muscle recovery.

Key terms of the lease are listed below.

Term:	January 1, 2018 - December 31, 2023 (six years).
Option Periods:	Two three-year terms.
Rental Rate:	\$0.80 per square foot in year one with \$0.02 increases annually throughout the base term and option periods.
Security Deposit:	\$808.00 (one month's rent).
Improvement Allowance:	\$5,000 one-time reimbursement. Six month rent and common area expense abatement. Lessor to furnish space and mechanical improvements for Lessee-supplied washer/dryer unit.
Broker Commission:	\$1,709.00 (3% of base rent term) to Terri Frohnmayr with First Commercial Real Estate Services LLC.

Clint Dameron
Real Property Services Manager

Attachments:

1. Proposed Lease