

## Legislation Details (With Text)

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**File #:** 18-444      **Version:** 1

**Type:** Action Item      **Status:** Passed

**In control:** City Council

**On agenda:** 10/8/2018      **Final action:** 10/8/2018

**Title:** Lease with Alpha Nursery, Inc. for property located in the 4400 block of Hazelgreen Road NE.

Ward(s): Ward 5  
Councilor(s): Ausec  
Neighborhood(s): Northgate

**Sponsors:****Indexes:****Code sections:****Attachments:** 1. Site Map, 2. Proposed Lease

| Date      | Ver. | Action By    | Action   | Result |
|-----------|------|--------------|----------|--------|
| 10/8/2018 | 1    | City Council | approved | Pass   |

**TO:** Mayor and City Council**THROUGH:** Steve Powers, City Manager**FROM:** Kristin Retherford, Urban Development Dept. Director**SUBJECT:**

Lease with Alpha Nursery, Inc. for property located in the 4400 block of Hazelgreen Road NE.

Ward(s): Ward 5  
Councilor(s): Ausec  
Neighborhood(s): Northgate**ISSUE:**

Shall the City Council authorize the City Manager to execute the attached lease with Alpha Nursery, Inc.?

**RECOMMENDATION:**

Authorize the City Manager to execute the attached lease with Alpha Nursery, Inc.

**SUMMARY AND BACKGROUND:**

The City of Salem (Lessor) acquired the 45.26-acre Hazelgreen Road NE property (Property) (Attachment 1) on June 29, 2018, for use as a future Community Park. The Property is currently used for crop farming and has been historically under lease to Alpha Nursery, Inc. (Doug Zielinski, President) (Lessee). The City has no plans to develop the Property within the next five years, and, therefore, desires to lease the property to keep it productive via farm use.

## **FACTS AND FINDINGS:**

Staff and Lessee have come to terms on a proposed lease (Lease) (Attachment 1). Key terms of the Lease are below.

|                  |  |
|------------------|--|
| Term:            | three years, commencing November 1, 2018       |
| Renewal Options: | three one-year terms with Lessor approval      |
| Lease Rate:      | \$250/acre (\$11,315 annually) paid in arrears |

Revenue from the Lease will go to the Parks Capital Improvements Fund.

Clint Dameron  
Real Property Services Manager

## **Attachments:**

1. Site Map
2. Proposed Lease