



## Staff Report

**File #:** 17-239

**Version:** 2

**Date:** 5/22/2017

**Item #:** 3.3b.

**TO:** Mayor and City Council  
**THROUGH:** Steve Powers, City Manager  
**FROM:** Kristin Retherford, Urban Development Director  
**SUBJECT:** Chemeketa Parkade Retail Lease - Rudy's Steakhouse LLC

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

**ISSUE:**

Shall City Council authorize the City Manager to execute a lease with Rudy's Steakhouse LLC for 290-350 Chemeketa Street NE?

**RECOMMENDATION:**

Authorize lease for property located at 290-350 Chemeketa Street NE with Rudy's Steakhouse LLC.

**SUMMARY AND BACKGROUND:**

The Chemeketa Parkade retail/restaurant space located at 290-350 Chemeketa Street NE (Attachment 1) has been vacant since January 2017.

**FACTS AND FINDINGS:**

Rudy's Steakhouse has been in business in Salem since 1998. Through the proposed lease (Attachment 2), Rudy's Steakhouse will invest nearly \$100,000 in the space. Proposed investments include dining room updates and improvements to the bar area, outdoor dining area, kitchen, walk-in cooler, and kitchen office.

**Recommended Terms:**

- Term: 2 years beginning August 1, 2017
- Lease Rate: Year 1: \$0.70, Year 2: \$0.75 per square foot per month
- Square Feet: 5,224 rentable square feet, 6,092 sf CAM expenses
- Free Rent: Four months
- Commission: \$2,288.11 to Coldwell Banker Commercial
- Option Periods: Five three-year terms with rent escalations

Clint Dameron  
Real Property Services Manager

**Attachments:**

1. Site Map

2. Proposed Lease