

Staff Report

File #: 23-97

Version: 1

Date: 3/13/2023

Item #: 3.3c.

TO: Mayor and City Council
THROUGH: Keith Stahley, ICMA-CM, City Manager
FROM: Kristin Retherford, Director of Community and Urban Development

SUBJECT:

Amendment to lease with Avis Budget Car Rental, LLC

Ward(s): 2

Councilor(s): Nishioka

Neighborhood(s): SEMCA

Result Area(s): Good Governance; Strong and Diverse Economy; Welcoming and Livable Community

SUMMARY:

Avis Budget Car Rental, LLC (Lessee) is a current tenant at the Salem Municipal Airport, and in October 2022, completed a new lease (Lease) (Attachment 1) for terminal space. The Lease includes a right of first refusal on adjacent, vacant counter space in the terminal and Lessee desires to execute that right and expand its lease premises.

ISSUE:

Shall City Council authorize the City Manager to execute the attached lease amendment with Avis Budget Car Rental, LLC?

RECOMMENDATION:

Authorize the City Manager to execute the attached lease amendment with Avis Budget Car Rental, LLC.

FACTS AND FINDINGS:

Staff and Lessee have come to terms on a proposed lease amendment (Amendment) (Attachment 2). Key terms of the Amendment are below.

Square Feet: 586.5 (previously 391)

Monthly Rental Rate:

August 1, 2022 - July 31 April 30, 2023	\$586.50* (\$1.50/s.f.)
<u>May 1, 2023 - July 31, 2023</u>	<u>\$879.75 (\$1.50/s.f.)</u>
August 1, 2023 - July 31, 2025	\$684.25 <u>\$1,026.38</u> (\$1.75 p.s.f.)
August 1, 2025 - July 31, 2027	\$782.00 <u>\$1,173.00</u> (\$2.00 p.s.f.)

All other lease terms shall remain unchanged.

BACKGROUND:

All rental revenue from the Lease will flow to the Airport Fund.

Clint Dameron
Real Property Services Manager

Attachments:

1. Lease
2. Amendment