



TO: Elizabeth Pauli, City Manager
FROM: Jennifer Hines, Assistant Division Manager, Public Works
Linda Stewart, Interim Director, Neighborhood and Community Services
COPY: City Council and City Clerk
SUBJECT: Resolution to approve Lease with Larry and Kay Childers (5407 South Tacoma Way) –
September 12, 2017
DATE: September 5, 2017

SUMMARY:

Neighborhood and Community Services Department requests City Council to authorize the lease of 5407 South Tacoma Way to Larry Childers and Kay Childers, doing business as Northwest Impressions. The primary term will be one year, and the tenant shall pay One Thousand Eight Hundred Seventy Five Dollars (\$1,875) per month, which will help offset maintenance items for the buildings. All utilities shall be paid by the tenant.

STRATEGIC POLICY PRIORITY:

- Foster neighborhood, community and economic development vitality and sustainability
- Assure outstanding stewardship of the natural and built environment.

This is an existing business which has been operating in this location for many years. The City will not be immediately utilizing this section of the buildings, and the proposed Lease will allow the business to continue its current operations.

BACKGROUND:

The City purchased the buildings on January 27, 2017, for the purpose of creating a youth and young adult Drop-In Center and Overnight Shelter, with a small retail/social enterprise unit fronting South Tacoma Way. 5407 has an existing tenant, Northwest Impressions, occupying the space. City staff have finalized negotiations for new lease terms, and both parties have come to agreement.

ISSUE:

The City does not plan to utilize this portion of the buildings at this time. Allowing Northwest Impressions to continue its operations helps the business continue to succeed and keeps the space activated.

ALTERNATIVES:

Council could direct staff to terminate the current tenancy. However, this would leave the space empty until such time as the City develops a plan for use and a budget to support an additional buildout.

RECOMMENDATION:

The Neighborhood and Community Services Department recommends Council approve the City’s lease with Northwest Impressions.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Fund 5700 – Municipal Buildings Acquisition and Operations	80021321	5216100	\$22,500
TOTAL			\$22,500

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Lease	80021321	4343506	\$22,500
TOTAL			\$22,500

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$22,500

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

Expenses are offset by rental revenues.