

## **RESOLUTION NO. 2006-906**

Adopted by the Sacramento City Council

December 12, 2006

### **AGREEMENT TO LEASE RETAIL SPACE AT CAPITOL GARAGE TO TERESA O'REILLY, DBA GOODIE TUCHEWS, AND JANET ELLIOTT, DBA DOWNTOWN MAIL & SHIPPING**

#### **BACKGROUND**

- A. Teresa O'Reilly is the owner of Goodie Tuchews, a cookie bakery, and Janet Elliott is the owner of Downtown Mail & Shipping which provides mail and shipping services. Both businesses have been located in the 926 J Street building for 25 years.
- B. Rubicon Partners and Joie de Vivre Hospitality are converting the 926 Street building to a boutique hotel. The project was approved and construction commenced earlier the fall.
- C. To accommodate the hotel project, Goodie Tuchews and Downtown Mail & Shipping are being relocated to 1015 L Street in the City's Capitol Garage. The site at 1015 L Street is 1,150 square feet and will be split to fit the new tenants requirements.
- D. Ms. O'Reilly and Ms. Elliott will sign separate lease agreements with the City. The term of each agreement will be for ten years with two 5-year options. Rent will start at a market rate of \$1.90 per square foot and increase 3% annually. Total rent collected from both tenants will be \$300,582 for the initial ten year term, \$187,080 for the first 5-year option and \$216,877 for the second 5-year option. Tenant improvement costs will be paid by the Sacramento Housing and Redevelopment Agency (SHRA) and Rubicon Partners.
- E. The City will pay the Vollman Company a brokerage fee of \$13,193. The fee will be paid from the City's Retail Space Improvement capital project (VD91), complying with its objective of attracting quality tenants to City retail space.

#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Manager is authorized to execute lease agreements with Teresa O'Reilly, dba Goodie Tuchews and Janet Elliott, dba Downtown Mail & Shipping.

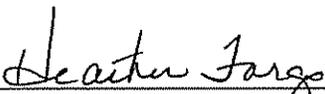
Adopted by the City of Sacramento City Council on December 12, 2006 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None

Abstain: None.

Absent: None.

  
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Mayor, Heather Fargo

Attest  
  
\_\_\_\_\_  
Shirley Concolino, City Clerk