

COBURG CITY COUNCIL MONTHLY REPORTS



TOPIC: Lease Agreement - IOOF

Meeting Date: May 11, 2021

Staff Contact: Anne Heath

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REQUESTED COUNCIL ACTION:

Approval for the City to enter into a lease agreement with IOOF

Recommended Motion: I move that the Council approve the City Administrator to sign a lease agreement with IOOF

CITY COUNCIL GOAL

Responsible Fiscal Stewardship

BACKGROUND

For the last couple of years there has been discussion regarding the City leasing the parking lot at the IOOF building. In early 2021, the building as well as the parking lot came available for lease. This option was presented to the City Council and there was a consensus that the City should move forward to negotiate the lease of the building for public space.

The Mayor and staff held negotiation meetings with members of the IOOF and the attached lease agreement is a result of the negotiations.

LEASE AGREEMENT

1. The City will enter into a two-year agreement for the lease of the downstairs, kitchen, bathrooms and entry. In addition, the parking lot will be included in the lease.
 2. The City will pay IOOF \$1000.00 per month beginning June 1, 2021.
 3. The building will become a Mainstreets project and grant fund will be applied for to update the building for public use.
 4. The uses of the building will be determined based upon the grant funds received, and the needs of the community.
 5. The parking lot will be retained for downtown parking for all businesses beginning July 1, 2021.
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BUDGET

The Lease for June, 2021 will be paid out of Economic Development. The lease payments for the next two years are included in the budget for fiscal years 2022 and 2023.

RECOMMENDATION

Staff recommends that the Council approve the lease agreement.

CONCLUSION

The availability of public space is limited in Coburg. This will allow for public meetings, events, etc. to be held in the IOOF building. In addition, there is opportunity for the consideration for a maker's space in the kitchen to support entrepreneurs in Coburg. Revenues can be generated from the rental of the space in order to offset the costs of the lease. The building has the potential to be restored to a valued public space as well as the future offices of the Mainstreets organization as well as the Chamber. The parking lot will fulfill a demand for downtown parking which is in short supply at this time.

Reviewed Through:

Gary Darnielle, City Attorney
Sammy Egbert, City Recorder