

CITY OF LYNDEN

EXECUTIVE SUMMARY – City Council



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| Meeting Date: | November 16, 2020 | |
| Name of Agenda Item: | Lease Agreement for 100 Drayton St. Facility | |
| Section of Agenda: | New Business | |
| Department: | Administration | |
| <u>Council Committee Review:</u> | | <u>Legal Review:</u> |
| <input type="checkbox"/> Community Development | | <input type="checkbox"/> Public Safety |
| <input checked="" type="checkbox"/> Finance | | <input type="checkbox"/> Public Works |
| <input type="checkbox"/> Parks | | <input type="checkbox"/> Other: _____ |
| | | <input type="checkbox"/> Yes - Reviewed |
| | | <input type="checkbox"/> No - Not Reviewed |
| | | <input type="checkbox"/> Review Not Required |
| Attachments: | | |
| Lease Agreement | | |
| Summary Statement: | | |
| <p>The Whatcom County Family YMCA ran Lynden's recreation facility at 100 Drayton Street from 1997 until it closed March 17 due to COVID related problems. The City issued a Request for Information soliciting potential agencies interest in operating the facility. Six parties responded. Subsequently a Request for Proposals was publicized and received three responses. A panel selected Forge Fitness Inc. as the successful candidate.</p> <p>The Lease Agreement with Forge Fitness is attached. It commits the City to pay \$150,000 for renovations needed to reopen the facility, and \$25,000 each year thereafter to the operator for the cost of renovations the operator expects to make. Together, the City and the operator will pay to remove old ceiling insulation, painting, HVAC work, new flooring, mezzanine construction, and windows and doors among other things. The operator will pay the City 40% of revenue above \$40,000/month (based on a 3-month average), with those payments to begin April 1, 2021. As part of the agreement, the operator will offer discounted rates to Lynden residents, and will accept government subsidized memberships for seniors.</p> <p>The Agreement is effective January 1, 2021 and has a 5-year term. It will automatically renew for five, five-year terms unless terminated by either party.</p> | | |
| Recommended Action: | | |
| Move to authorize the Mayor to sign the Lease Agreement with Forge Fitness to operate the recreation facility at 100 Drayton Street in Lynden. | | |