



## **AGENDA REPORT**

### **City Council Meeting**

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**TODAY'S DATE:** November 12, 2024

**MEETING DATE:** December 04, 2024

**TO:** City Council

**FROM:** Cheryl Hughes, Central Services Director

**SUBJECT:** Approve Lease A25-1600-4 with Lead-Lok, Inc.

#### **DESCRIPTION/BACKGROUND:**

The City of Sandpoint originally entered into a lease with Lead-Lok, Inc. in August 2014 for the purpose of leasing certain buildings and structures located at the Sandpoint Airport Business Park. After subsequent amendments to the original lease, the lease officially terminates on December 31, 2024.

The address of the building and structures to lease are 804 Airport Way, consisting of approximately 10,640 square feet of space, 814 Airport Way, consisting of approximately 16,178 square feet of space, and 924 Airport Way, consisting of approximately 4,000 square feet of space. The purpose of the lease is to make suitable manufacturing, office, warehouse, and other facilities on the property available for lease, as identified in the map attached to the lease document. There is a portion as identified on the map an area that is designated a City Use area and is not included in the leased area. All other areas in the map identified are part of the lease and includes the real property, loading bays, and parking areas. Lead-Lok's commercial operations is manufacturing of medical disposable products and related warehousing and office functions. Lead-Lok benefits Sandpoint's local and regional economy and provides good jobs to our area. Lead-Lok intends to continue investing in the property over the next 5 year lease term. The intent is to expand the warehouse building, add a fire monitoring system to the 804 building, and upgrade secure access systems to the warehouse and 804 building. In consideration for these valuable upgrades and investments into the property, the annual rent increase will remain 1% per year throughout the term of the lease.

#### **STAFF RECOMMENDATION:**

Staff recommends City Council approve Lease A25-1600-4 with Lead-Lok, Inc. for a five-year lease of 804, 814, and 924 Airport Way.

#### **ACTION:**

City Council to approve Lease A25-1600-4 with Lead-Lok, Inc. for a five year lease of 804, 814, and 924 Airport Way.

**WILL THERE BE ANY FINANCIAL IMPACT?** Revenue from lease payments **HAS THIS ITEM BEEN BUDGETED?** Yes

**ATTACHMENTS:**

Proposed Resolution

A25-1600-4 Lead-Lok, Inc Lease Agreement 2024 - Signed