



Legislation Text

File #: 18-189, **Version:** 1

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SUBJECT: Lease Agreement Between the City of Merced and Greyhound Lines, Inc., Located at the Merced Transportation Building

REPORT IN BRIEF

Lease Agreement between the City of Merced and Greyhound Lines, Inc., located at the Merced Transportation Building.

RECOMMENDATION

City Council - Adopt a motion approving the lease agreement between the City of Merced and Greyhound Lines, Inc.; and authorizing the City Manager or Assistant City Manager to execute the necessary documents.

ALTERNATIVES

1. Approve as recommended by staff; or,
2. Approve, subject to modifications as conditioned by Council; or,
3. Deny the request completely; or,
4. Refer back to staff for reconsideration of specific items as requested by Council; or,
5. Continue item to a future Council meeting (date to be specified in City Council motion).

AUTHORITY

Section 200 of the City of Merced Charter.

CITY COUNCIL PRIORITIES

As provided for in the 2017-2018 Adopted Budget.

DISCUSSION

Background

Greyhound Lines, Inc. has been a tenant at the Merced Transportation Building since August of 2000, leasing both office space and bus parking space. The City and Greyhound enjoy a positive working relationship, and Greyhound desires to continue leasing space in the Transportation Center. Greyhound is a valued tenant and provides an important service to the community.

The Transpo Building serves as the central station for bus transportation in Merced, and therefore, an ideal location for Greyhound operations. In addition to Greyhound, several bus systems are currently leasing space including Yosemite Area Regional Transportation System (YARTS), Merced County's

“The Bus”, Viajes California, and Storer Transportation.

Proposed Lease

The City of Merced and Greyhound Lines, Inc. negotiated a lease subject to the following key terms (Attachment 1):

Location: Merced Transportation Center, 710 W. 16th Street, Merced, CA

Leased Area: 440 square feet (open counter and storage space)

Term: 5 years and one (1) five (5) year option to extend

Common Area: Waiting area, restrooms, and entryways

Bus

Concourse Area: Exclusive use for three (3) boarding bays

Rent: Year 1-\$ 1304.00 per month
Year 2-\$ 1304.00 per month
Year 3-\$ 1326.00 per month
Year 4-\$ 1326.00 per month
Year 5-\$ 1348.00 per month

Greyhound will also pay its pro-rata share of utilities and janitorial expenses for use of common areas at the Transpo Building. They will pay eleven percent (11%) of the incurred costs for maintenance, repairs, janitorial services and supplies of the Building. Greyhound will also pay eight (8%) for refuse service, water, sewer, gas, electricity, alarm services, and other public utility services for the Transpo Building.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed.

ATTACHMENTS

1. Proposed Greyhound Lines, Inc. Lease