

# Memorandum

## Public Works Department



**To:** City Manager  
**Subject:** Custom Covers Upholstery Shop Lease  
**Date:** June 28, 2011  
**Number:** 2011-208

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The city leases a business space in the Sunset Marina office building to the Custom Covers Upholstery Shop for \$960.093 per month. The term of the lease is three years expiring on May 31, 2012. The business is struggling due to the current economy and the owner, Mark Chronister, is requesting that the City Council release him from the lease effective June 30, 2011. He has not yet made the March through June lease payments, but offers to pay them at the rate of \$500 per month.

### **RECOMMENDATION**

The Public Works Department recommends that the City Council agree to....

- release the Custom Covers Upholstery Shop from its lease effective June 30, 2011,
- accept the delinquent lease payments at the rate of \$500 per month and
- direct the City Attorney to prepare the necessary documents for signature by business owner and the City Manager.

The staff will market the space being vacated. If a new tenant has not been found before winter, the space will be rented for indoor, winter boat storage.

**Submitted by:** Robert T. Hawes, P.E., Assistant City Manager/Public Works Director

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