



Legislation Text

File #: 210321., Version: 1

Approval and Authorization to Execute a Lease Agreement (B)

This item is a request to Approve and Authorize the Execution of a Lease Agreement with How Bazar Co., a Florida Profit Corporation.

On August 17, 2021, the City of Gainesville executed a Letter of Intent with Jose Peruyero, Jr., President of How Bazar Co., for the purpose of renting the southern space of the SW Downtown Parking Garage, known as 60 Southwest 2nd Street. Suite 60 consists of 2,822 square feet. How Bazar is a local, diverse, minority-owned retail establishment that specializes in vintage clothing from around the world, and was previously a tenant in the Seagle Building located in Downtown Gainesville.

Terms of the Lease include the following:

Six Year Base Lease Term

Years 1 - 2 priced at \$8.08 / SF

Years 3 - 6 priced at \$11.91 / SF with a 2% Annual Increase

Option to Renew for one 4-Year Term at \$16.16 / SF with a 2% Annual Increase

No Tenant Improvement Allowance and No Reduced / Free Rent as a Concession

Tenant pays Property Tax (Estimated at \$241.67 per month) and Sales Tax (6.5%)

Two Dedicated Parking Spaces in Garage

Occupancy and Lease Signing September 2021

Strategic Connection

Goal 3: A Great Place to Live & Experience...develop a vibrant, alive downtown with expanded residential and commercial opportunities.

Goal 4: Resilient Local Economy...increase the number of successful and sustainable, small and locally owned businesses.

The total revenue anticipated over the six year term of the lease is \$213,498 including estimated property and sales tax.

The City Commission: 1) approve the Lease Agreement with How Bazar Co. for the space available at 60 Southwest 2nd Street; and 2) authorize the City Manager, or designee, to execute the Lease Agreement with How Bazar Co., subject to review and approval of the City Attorney's Office as to form and legality.