



## Legislation Text

**File #:** 14-0335, **Version:** 1

### **TITLE:**

Public Hearing on lease of town owned property located at 110 East Main Street

**PURPOSE:** The purpose of this agenda item is for the Board to take public comment on a proposed lease for town property located at 110 East Main Street.

**DEPARTMENT:** Economic and Community Development

**CONTACT INFORMATION:** Annette D. Stone, AICP Economic and Community Development Director

**INFORMATION:** Betsy Elbogen, owner of the co-working studio known as Perch. Mrs. Elbogen is interested in leasing town owned property located at 110 East Main Street. The space is a 3300 square foot condo above ACME Restaurant. The proposed lease is a 5 year term with a graduated annual rent averaging \$37,320.00 per year. NCGS#160A-272 requires the local governments to hold public hearings on any proposed leases for more than 1 year.

### **FISCAL & STAFF IMPACT:**

Proposed Perch Lease of Town-Owned Offices	
Year 1 Annual Rental Income	\$ 21,600
<b>Year 1 Rental Rate per Square Foot</b>	<b>\$ 6.80</b>
Year 2 Annual Rental Income	\$ 39,000
<b>Year 2 Rental Rate per Square Foot</b>	<b>\$ 12.27</b>
Years 3-5 Annual Rental Income(Plus CPI)	\$ 42,000
<b>Years 3-5 Rental Rate per Square Foot (Plus CPI)</b>	<b>\$ 13.22</b>

Town Income if Sold to Private Party	
Interest Income (\$600,000 x .075%)	\$ 4,500
Estimated Town Property Taxes	\$ 3,540
<b>Total Annual Town Income</b>	<b>\$ 8,040</b>

**RECOMMENDATION:** Staff recommends the Board hold the public hearing and consider the proposed lease agreement.