

**AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A FIVE-YEAR LEASE WITH THE CLEVELAND SIGHT CENTER TO USE 1200 SQUARE FEET AS A COFFEE SHOP IN THE LOUIS STOKES STATION AT WINDERMERE**

WHEREAS, The Greater Cleveland Regional Transit Authority had entered into a five-year lease agreement with the Cleveland Sight Center from December 29, 1998 through December 28, 2002 for 1200 square feet space to be used as a Coffee Shop in the Louis Stokes Station at Windermere; and

WHEREAS, The Authority and the Cleveland Sight Center would like to enter into a new five-year lease agreement for the 1200 square foot space to continue the use as a Coffee shop in the Louis Stokes Station at Windermere from December 29, 2002 through December 28, 2007. Either party may cancel the lease with a sixty-day (60) notice prior to December 28 of any term year; and

WHEREAS, The initial rent will be \$250.00 per month plus yearly payment of five-percent (5%) based on all product sales except the Ohio Lottery Commission sales. The monthly rent payment shall be adjusted at a rate of five-percent (5%) compounded yearly starting in the second term year; and

WHEREAS, The General Manager/Secretary-Treasurer of the Greater Cleveland Regional Transit Authority deems the offer to be fair and reasonable and recommends that the offer be accepted.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the dates of the lease agreement between the Authority and the Cleveland Sight Center will be from December 29, 2002 through December 28, 2007 for the use of 1200 square feet of space located at the Louis Stokes Station at Windermere to be used as a coffee shop operating Monday through Friday from 5:00am to 4:00pm. Either party may cancel the lease with a sixty-day (60) notice prior to December 30 of any term year.

Section 2. That the Cleveland Sight Center will pay the Authority an initial rent of \$250.00 per month plus a yearly payment of five (5%) percent based on all product sales except Ohio Lottery Commission sales. The monthly rent payment shall be adjusted at a rate of five-percent (5%) compounded yearly starting in the second term year.

Section 3. That the General Manager-Secretary/Treasurer be and he is hereby authorized to execute all documents and to take all actions necessary for the consummation of the transaction contemplated hereby.

Section 4. That said contract is subject to the satisfaction of all statutes, regulations, rules and orders obligatory on the Greater Cleveland Regional Transit Authority for the transaction contemplated hereby.

Section 5. That this resolution shall become effective immediately upon its adoption.

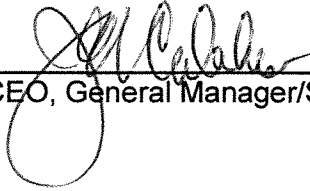
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Adopted March 18, 2003



\_\_\_\_\_  
President

Attest:

  
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b> AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A FIVE-YEAR LEASE WITH THE CLEVELAND SIGHT CENTER TO USE 1200 SQUARE FEET AS A COFFEE SHOP IN THE LOUIS STOKES STATION AT WINDERMERE.	Resolution No.: 2003-031
	Date: March 13, 2003
	Initiator: Property Management
<b>ACTION REQUEST:</b> XX Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** The Greater Cleveland Regional Transit Authority will enter into a five-year lease with the Cleveland Sight Center for 1200 square feet space to be used as a Coffee Shop in the Louis Stokes Station at Windermere commencing on December 29, 2002 through December 28, 2007. The initial rental rate will be \$250.00 monthly plus an additional rent of a monthly payment of five-percent (5%) based on all gross product sales in excess of \$15,000.00 with the exception of the Ohio Lottery Commission sales. The monthly rent of \$250.00 shall be adjusted at a rate of five-percent (5%) compounded yearly starting in the second term year. Either party may cancel the lease with a sixty-day (60) notice prior to December 28 of any term year.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Cleveland Sight Center has been the tenant of the coffee shop for the previous five-year period and they would like to continue the lease arrangement under the terms noted above. Although the Cleveland Sight Center's gross monthly sales have not been above \$15,000 throughout the previous five-year agreement, they are optimistic that the next five years will prove more profitable. The lease creates revenue for the Authority and it would be beneficial to maintain the tenant. Under the terms of the new agreement, the Cleveland Sight Center will submit a monthly Profit and Loss statement along with the \$250.00. Any additional rent payments based on the 5% of monthly gross sales will accompany the monthly \$250.00 rent payment and the Profit and Loss statement.
- 3.0 **PROCUREMENT BACKGROUND:** Not Applicable
- 4.0 **DBE BACKGROUND:** Not Applicable
- 5.0 **POLICY IMPACT:** Not Applicable
- 6.0 **ECONOMIC IMPACT:** The location of the coffee shop has an economic impact on the profitability of the site. It has proven to be a challenge for the current tenant over the past five years and it would less cost effective to solicit for a new tenant at this time. It would be in the Authority's best interest to continue the relationship with the Cleveland Sight Center. One that creates revenue for the Authority through a monthly rental charge and the possibility of additional rents based on monthly gross sales with the exception the Ohio Lottery Commission sales.
- 7.0 **ALTERNATIVES:** The Authority could leave the space vacant or it publicly advertises for a new tenant. Either of the two alternatives would result in a temporary to permanent stoppage of income.
- 8.0 **RECOMMENDATION:** Approval by the Board of Trustees for the new lease with the Cleveland Sight Center.

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9.0 ATTACHMENTS: None

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

A handwritten signature in cursive script, appearing to read "W. J. ... per SAC", is written over a horizontal line.

General Manager/Secretary-Treasurer