

POULSBO DISTRIBUTION SCHEDULE

RESOLUTION NO. 2012-01

SUBJECT: Intent to Rent – Coffee Oasis

CONFORM AS TO DATES & SIGNATURES

- (X) Filed with the City Clerk: 01/27/2012
- (X) Passed by the City Council: 02/08/2012
- (X) Signature of Mayor
- (X) Signature of City Clerk
- (X) Publication: N/A
- (X) Effective: 02/08/2012

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Jill A. Boltz
City Clerk

February 17, 2012
Date

RESOLUTION NO. 2012-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON REGARDING RENTAL OF COMMERCIAL OFFICE SPACE TO THE COFFEE OASIS (HOPE IN CHRIST MINISTRIES A 501 (C) 3 NON-PROFIT CORPORATION) TO CREATE A YOUTH OUTREACH CENTER.

WHEREAS, The City of Poulsbo recognizes the nature of homeless and at-risk youth in our community and;

WHEREAS, the City of Poulsbo cares about young people in our community and supports them through many efforts to keep them safe and productive. Such support includes our Parks and Recreation programs and the Marine Science Center and;

WHEREAS, The City of Poulsbo has a stated mission of community support and obligation to all its citizens, specifically to provide public safety and;

WHEREAS, The City of Poulsbo is seeking to support, train, and move at-risk youth from homelessness to productive members of our community thereby increasing public safety and;

WHEREAS, The Coffee Oasis began outreach, support and training to the youth of Bremerton, Washington in September of 1997 and has provided such services to that community for 14 years, with a demonstrated record of success and;

WHEREAS, The Coffee Oasis is a non-profit organization that welcomes all youth into their programs without discrimination and;

WHEREAS, the Coffee Oasis has grown through its 14 years of service to the community and is financially stable, supported by self-generated business income, state, local and private grants and donations and;

WHEREAS, The Rotary of Poulsbo-North Kitsap has researched the nature of Coffee Oasis and has organized funding to support Coffee Oasis in their common stated mission of supporting homeless and at-risk youths in our community and;

WHEREAS, the City of Poulsbo owns a vacant office space located at 8th and Iverson, commonly referred to as the Public Works Administration Building, located in a commercial zone of the City of Poulsbo and;

WHEREAS, the City of Poulsbo has been seeking renters for this facility since November of 2010, in a rental market that has many available rental properties and after the City reduced the rent requested in March of 2011, NOW, THEREFORE,

**THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON HEREBY
RESOLVES AS FOLLOWS:**

1. This resolution of the City Council of the City of Poulsbo, Washington will serve as a non-binding Letter of Intent to outline the relationship between the Coffee Oasis and the City of Poulsbo and the general terms upon which the Coffee Oasis will lease from the City of Poulsbo and the City of Poulsbo will lease to the Coffee Oasis certain real estate described herein. Upon passage of this resolution, the City Council of the City of Poulsbo authorizes the Mayor to enter into negotiation of a lease contract with the Coffee Oasis. If the Mayor and Coffee Oasis are able to reach agreement as the result of the negotiations, the contract will be returned to the City Council for final review and approval. The terms set forth below are the general terms upon which the City is willing to lease to the Coffee Oasis and other terms may be negotiated between the parties.
2. The Coffee Oasis will lease from the City of Poulsbo the Public Works Administration Building located at 780 Iverson, Poulsbo, Washington. Presently, Sound Works Job Center is located in the south corner of this building. When Sound Works Job Center relocates to another location, this agreement will apply to the entire building. Such relocation will occur when Sound Works Job Center finds another location that will be suitable for their business operations or the City Council directs Sound Works Job Center to find a new location.
3. The price of the rent will be \$400.00 per month (inclusive of excise taxes) for the first 12 months of occupancy. The rent will accelerate at 3% per year as long as the contract is in place. Coffee Oasis will be responsible for all utilities including water, sewer, solid waste, electricity and natural gas. The term of the lease will be for 3 years.
4. At the end of the 3 years, the City will renegotiate with Coffee Oasis for a new monthly rent of not to exceed \$700 per month which will accelerate at 3% per year, provided, that this shall not obligate the City to lease to the Coffee Oasis at a rate that is less than the fair market rental value of the property unless additional compensation or public benefits are provided to the City by the Coffee Oasis. The new contract will be for 3 years.
5. All rents will be paid monthly at the beginning of each month. Upon signature of the lease, Coffee Oasis will have 45 days from the signature date to complete the necessary leasehold improvements. Rent will occur when occupancy commences.

6. The City will entertain an offer from Coffee Oasis to purchase the building. Such a purchase would be negotiated independently of this Letter of Intent and lease.
7. The Coffee Oasis will maintain rental insurance which shall include a general liability policy and insurance against flood risk. The limits of liabilities for these policies will be defined in the lease contract.
8. The purpose of the lease will be to create a youth center which will support homeless or at-risk youths and will establish public benefit for the City of Pousbo. To establish public benefit, the Pousbo Coffee Oasis will publish statistics of use which will include the number of Pousbo youth contacts on an annual basis.
9. The Coffee Oasis will seek out partnering opportunities with other businesses in Pousbo that would support the stated mission of reducing homeless and at-risk youth. The Coffee Oasis will work cooperatively and supportively with the Pousbo Police Department.
10. The Coffee Oasis will establish operating hours which will be posted publicly. The Pousbo Police Department will be fully informed about the hours of operation of the Pousbo Coffee Oasis.
11. The Coffee Oasis has inspected the building and has agreed to rent the facility with no City improvements. All leasehold improvements will be the responsibility of Coffee Oasis. Such leasehold improvement will conform to the City permitting process, meet all applicable building codes and are subject to prior approval of the City. Coffee Oasis will construct a fence behind the building to separate the premises from the public works yard.
12. With the exception of major structural repairs, all interior and exterior maintenance will be performed by Coffee Oasis. Coffee Oasis will maintain the building in acceptable repair. A definition of major structural repairs will be included in the lease contract.
13. Coffee Oasis will not sublet the building or allow it to be used by any other party without prior permission of the City. All activities in the building must comply with all state and local laws. Coffee Oasis will not tolerate any illegal activity within or on the premises.
14. Parking will be confined to the south and east parking lots. No parking will be allowed in front of the public works yard, or impede access to the public works gate on the south side of the building.

RESOLVED this 8th day of February, 2012.

APPROVED:



MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED:



CITY CLERK, JILL A. BOLTZ

FILED WITH THE CITY CLERK: 01/27/2012
PASSED BY THE CITY COUNCIL: 02/08/2012
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