

## COUNCIL REPORT

M&C No.	2019 - 3
Report Date	January 03, 2019
Meeting Date	January 14, 2019
Service Area	Finance and Administrative Services

His Worship Mayor Don Darling and Members of Common Council

***SUBJECT: City Market Lease with Chicken by Felix***

### ***OPEN OR CLOSED SESSION***

This matter is to be discussed in open session of Common Council.

### ***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>David Kirkpatrick</i></b>	<b><i>Ian Fogan/Kevin Fudge</i></b>	<b><i>John Collin</i></b>

### ***RECOMMENDATION***

1. That the City enter into a Lease for Stall “No. 10” in the City Market with Yufan Investment Ltd., under the terms and conditions as set out in the Lease submitted with M&C 2019–3, and further;
2. That the Mayor and Common Clerk be authorized to execute any necessary documents.

### ***EXECUTIVE SUMMARY***

City staff and the owner/operator of Chicken by Felix have reached an agreement that will have the business lease space within Stall “No. 10” of the City Market. The term will be for five (5) years, commencing February 1st, 2019 with an option to renew for an additional two (2) years. Rents will be at market value with the first two months of the term being rent free to offset space build out costs and its up-front investment into the space. The focus of the business will be casual dining offerings such as specialty Fried chicken, Pulled Pork Sandwiches, Smoke barbequed ribs, Brisket Sandwiches and soft drinks. The proprietor will also be permitted to sell soft serve ice cream.

The lease document as attached is standard and consistent with the leases granted to other tenants in the City Market.

### ***PREVIOUS RESOLUTION***

N/A

### ***STRATEGIC ALIGNMENT***

The Owner and operator is an immigrant to Canada and has experience operating a similar business in the past. This provides for entrepreneur opportunities in the City's Uptown Core and aid's in creating a livable community that is vibrant and diverse, while providing an integrated approach to economic development.

### ***REPORT***

This is a newly created Stall between Java Moose and Pete's Frootique.

City staff has an agreement with a new tenant, Chicken by Felix to operate in Stall No. 10 that would commence effective February 1st, 2019. Their sales would be centered on barbecued chicken, beef and pork. The initial term is for 5 years with an option to renew for an additional 2 years. There are some renovations required to prepare the space for lease and also some time to set up the business. The attached lease will provide two months' rent free to offset the costs associated with establishing a new business. The lease document is standard and consistent with the leases granted to other tenants in the City Market.

### ***SERVICE AND FINANCIAL OUTCOMES***

The operation and presence of Chicken by Felix within the City Market will add to the vitality offerings in the City's Uptown area. This Lease will generate a revenue of approximately \$12,000.00 per annum.

### ***INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS***

Staff of the City Market and Facility Management has provided input into the preparation of this report and the City's Legal Department has prepared the Lease Agreement.

### ***ATTACHMENT***

- 1.** Lease Agreement with Chicken by Felix
- 2.** Front view of new stall