

**CITY COUNCIL  
COMMUNICATION:**

**03-041**

**AGENDA:**

JANUARY 27, 2003

**SUBJECT:**

LEASE AGREEMENT  
WITH RAY'S  
BARBERSHOP

**TYPE:**

**RESOLUTION**  
ORDINANCE  
RECEIVE/FILE

**SUBMITTED BY:**

DONALD M. TRIPP  
PARK AND  
RECREATION  
DIRECTOR

**ITEM 81**

**OFFICE OF THE CITY MANAGER  
CITY OF DES MOINES, IOWA**

**SYNOPSIS —**

Ray's Barbershop has leased City-owned property in the 7<sup>th</sup> and Grand Parking Garage for use as a barbershop since 1990. Ray Serra retired as operator of the business in 2002. Josefina Orozco and Wendee Griffin are currently operating the barbershop as a holdover tenant under the previous lease and have requested a new lease to continue the business. A new three-year lease has been prepared.

**FISCAL IMPACT —**

The lease rate for the three-year term is a total of \$250 per month.

**RECOMMENDATION —**

**Approval.**

**BACKGROUND —**

On April 16, 1990, the City Council approved a lease agreement with Ray Serra, dba Ray's Barbershop, to operate a barbershop in a retail space in the 7<sup>th</sup> and Grand Parking Garage. The initial lease was for a period of three years and included three options to renew. During the term of the lease, Ray's Barbershop has been a solid tenant and provided needed retail business in the 7<sup>th</sup> and Grand Parking Garage. Ray Serra has retired from the business, and Josefina Orozco and Wendee Griffin have been operating the business as a holdover tenant under the previous lease and have requested a new lease for the property. The approval and execution of this lease will allow for the new operators to continue to operate the established retail business in the 7<sup>th</sup> and Grand Parking Garage.

The initial new lease is for a term of three years at \$250 per month and contains three separate options to renew. Each option is for a three-year period at rates as listed below:

Option 1 - 2/1/2006 –1/31/2009	\$275 per month
Option 2 - 2/1/2009 –1/31/2012	\$310 per month
Option 3 - 2/1/2012 –1/31/2015	\$350 per month

