

Ordinance Authorizing Fourth Amendment to Lease for Building 169 with Williams Sonoma, Inc.

Staff Recommendation by: City Manager Jennifer Ott and Community Development Director Lisa Maxwell

June 6, 2023



Building 169: Williams Sonoma, Inc.



Background

- Tenant – Williams Sonoma, Inc. a Delaware Corporation, acting for and on behalf of Williams-Sonoma Stores, Inc., a California Corporation (Williams Sonoma)
- Located at Viking St. & Oriskany Ave. (1680 Viking Street)
- Retail sales of home furnishings and embellishments
- Building includes 43,335 s.f. , plus adjacent parking area
- Lease commenced March 2017; 3-year term; amended three times
- Lease expired April 30, 2023; currently month-to-month holdover tenancy
- Current lease rate: \$260,010 annually

Building 169: Williams Sonoma

Fourth Amendment Terms

- Term commences retroactively April 30, 2023; terminates April 30, 2024
- No extension option
- William Sonoma to discontinue operations at site in one year
- Renewal option for one year allows transition period for winding down operations
- Rent increased to \$0.70 cents per s.f. (from \$.050 cents per s.f.) or \$365,262 annually (\$104,000 increase)



Building 169: Williams Sonoma

Additional Fourth Amendment Terms

- 6-month termination right by either party
- Security deposit increased to \$30,348.50 = one months rent (from \$21,677.50) to reflect increased rent



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Recommendation:

Introduce ordinance authorizing City Manager to execute a Fourth Amendment to the Lease with Williams Sonoma for one-year extension of term and increase in rent and security deposit