

Summary of Key Lease Terms - Farmers' Market Building at River Landing

Annual Lease Payment	\$10.00/annually Public Notice and City Council approval is required as the annual lease payment is below market lease rate.
Lease Term	Five years, with an option to extend the agreement on the same terms and conditions for another five-year term, contingent upon the successful compliance to the Tenant Operating Metrics.
Occupancy Costs	Payment of utility costs; operational maintenance costs; cleaning/janitorial costs; building security; snow clearing at the building entrances; and garbage and recycling removal. The City will maintain occupancy costs, including utility costs until the lease with Ideas Inc. begins. Occupancy costs, including utility costs will be borne by Ideas Inc. once tenant fit-out construction begins (anticipated in March 2023).
Payment of Annual Property Taxes	A tax exemption is proposed during the initial five-year lease term. Property taxes would be paid by Ideas Inc. at an increasing rate over the 5-year lease term. Year 1 - 20%; Year 2 - 40%; Year 3 - 60%; Year 4 - 80%; Year 5 - 100%. Foregone revenue is estimated at \$53,162. City Council approval is required for the tax exemption request.
Annual payments into the City of Saskatoon Civic Buildings Comprehensive Maintenance (CBCM) Reserve	Annual CBCM payments have been averaged over the five-year term, at an estimate of \$32,000 per year. The first two years of CBCM payments will be deferred and divided over and paid for during the remaining three years of the lease term.
Building Use	The Farmers' Market Building is to operate as a public market selling local food, craft liquor, and artisan products, by independent local vendors; open to the public six-days-a-week. The building may also host entertainment and cultural events, complementary to the surrounding land uses within River Landing or nearby.
Dedicated Farmers' Market Days	Ideas Inc. will operate a seasonal farmers' market on Market Square twice weekly between May and October, annually.
Furniture	The City will purchase the furnishings for the common areas of the facility, at a maximum cost of \$150,000; Ideas Inc. will contribute 50% of the total cost, paid back annually over the five-year term.