

COVER MEMO

Briefing Date/Time:	September 14, 2026
Staff Contact/Title:	Mike Reid, Director of Community and Economic Development, 360.764.5395, MikeR@portolympia.com
Subject:	Cutter Taggart dba Cutters (Barber Shop) Lease Amendment #2
Purpose:	☐ Information Only ☒ Decision Needed

CONSENT ITEM

Tenant Snapshot:

Lease Name: Cutter Taggart dba Cutters (Barber Shop)

Leased Address: 7205 Capitol Blvd SW, Suite 103, Tumwater, WA 98501

Lease Type: Retail Space — 725 s.f., Airport Commercial District

Lease Effective Date: November 4, 2021

Term: November 4, 2021 – November 3, 2026 + Option 3 (three years)

Lease Expires: November 3, 2029 (with Option 3 exercised)

Use: The suite is a retail barber shop serving the Airport Commercial District community.

Background:

The Port and Cutter Taggart dba Cutters (Barber Shop) entered into a retail Space Lease Agreement dated November 4, 2021, for approximately 725 square feet of retail space in the building located at 7205 Capitol Blvd SW, Suite 103, Tumwater, Washington 98501. The lease was first amended by Lease Amendment No. 1, dated June 13, 2024, which memorialized two options, added additional term, and memorialized rent and surety increases. The tenant has remained in good standing throughout the lease.

The tenant is now requesting Amendment No. 2, which memorializes the exercise of Option 3, the annual rent adjustment, and the rent and surety increases for Option 3. Option 3 provides an additional three-year term commencing November 4, 2026 and ending November 3, 2029.

Summary and Annual Financial Impact:

Current lease terms:

- Rent is subject to a 3% annual adjustment.
- CAM will be adjusted annually.
- Surety is adjusted at the same rate as Rent.
- 1/1/2027 – 12/31/2027: \$1,307.87/month, plus 12.84% Washington Leasehold Tax of \$167.93/month

- 1/1/2028 – 12/31/2028: \$1,347.11/month, plus 12.84% Washington Leasehold Tax of \$172.97/month
- 1/1/2029 – 12/31/2029: \$1,387.82/month, plus 12.84% Washington Leasehold Tax of \$178.16/month

Vision 2050 Alignment:

This lease amendment supports Vision 2050 objectives by sustaining small business activity within the Airport Commercial District. By extending Cutters' presence at the Olympia Regional Airport properties, the amendment supports the Port's goals of creating and supporting small and emerging businesses (Action 19), coordinating with partners on Tumwater development opportunities (Action 31), and supporting non-air-dependent services at airport properties (Action 34). These outcomes align with Vision 2050's broader goals for sustainable economic development, community placemaking, and long-term utilization of Port-controlled commercial properties.

Environmental Consideration and Review:

The lease premises are located within the Port's Airport District. Our tenant actively works with the Department of Ecology and the City of Tumwater to follow environmental regulations.

Alternatives Considered

- **Approve Lease Amendment No. 2:** Option 3 is memorialized, extending the lease term through November 3, 2029. Rent adjustments of 3% annually and surety increases take effect as outlined. The tenant continues operations under the updated lease terms.
- **Do Not Approve Lease Amendment No. 2:** The lease retains its current expiration. No additional term is memorialized, and Option 3 is not exercised. Existing rent and surety terms continue per the lease.

Staff Recommendation:

Approve Lease Amendment #2 as presented on the consent calendar.

Documents Attached:

Copy of Lease Amendment #2