



# LEASE AGREEMENT AND SITE PREPARATION COSTS FOR CITY HALL ANNEX SPACE

November 7, 2023  
City Council Meeting  
Agenda Item #16



# City Hall Workspace Needs

- Approximately 120 full-time staff at City Hall
- Additional workspace is needed
- Recommendation to rent commercial space to provide supplemental space





# City Hall Annex – Proposed Location

- Located at 24620 Jefferson
- Walking Distance from City Hall
- 4,868 square feet of leased space for office use
- Proposed lease for six years with option to extend if needed
- Most cost-effective option of those evaluated





## Estimated Costs

- Annual Lease Cost:
  - Year 1 - \$110,0990
  - Following years – add a 3% escalator
- Year 1 for Annual Operating Costs:
  - Common Area Operating Expenses - \$55,500
  - Utilities + Other Operating Expenditures - \$68,200
  - Escalator for latter years
- One-Time Costs for Site Preparation and Furnishings: \$467,123, including contingency



# One-Time Costs for Site Improvements

- Light Tenant-Improvements, Paint, Carpet Cleaning
- 21 Workspaces
  - 16 workstations
  - 5 offices
- Conference Room
- Two-Person Collaboration & Meeting Pod
- IT Network Cabling and Security System
- Office Equipment, Copier, etc
- File Storage and Equipment





# Next Steps

- Execute Lease Agreement and all other necessary agreements
- Complete site improvements and acquire furnishings
- Targeted move-in: Late January/early February



# Conclusion

- Staff recommends Council:
  - Authorize City Manager to execute Lease Agreement and all other necessary agreements
  - Approve budget adjustments



Questions?







# City Hall Annex - Proposed Location

