Received After Agenda Printed 11/7/23 Regular Meeting Item 16 - Staff Presentation

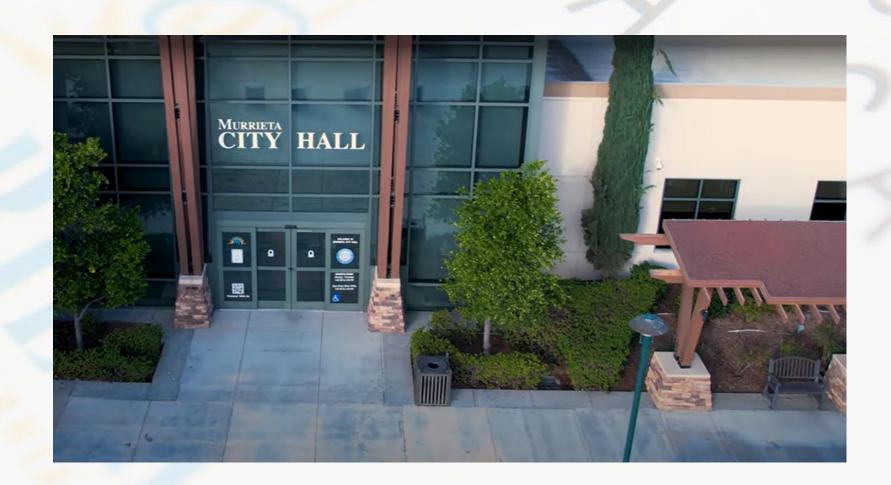


# LEASE AGREEMENT AND SITE PREPARATION COSTS FOR CITY HALL ANNEX SPACE

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





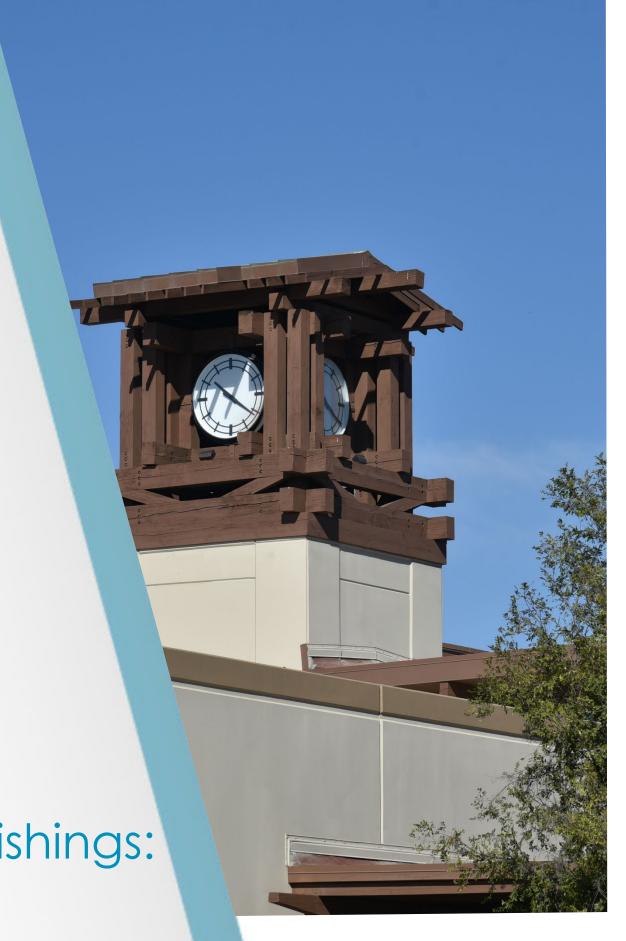
# City Hall Annex – Proposed Location

- 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



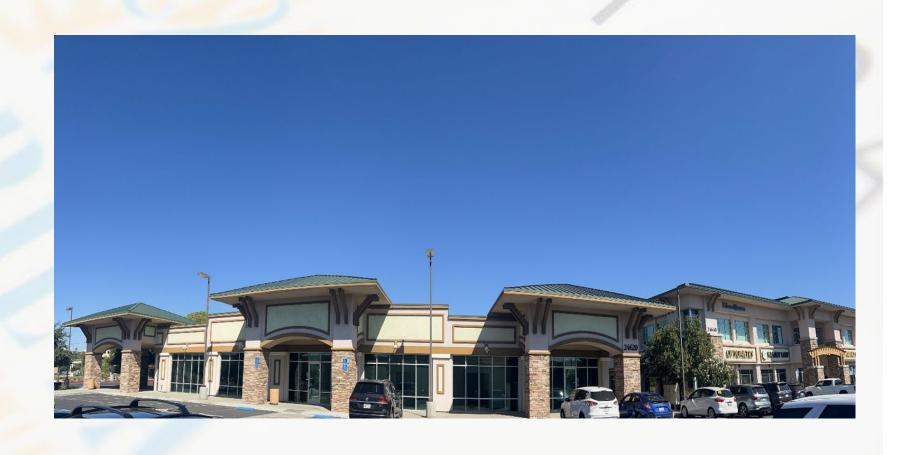
#### **Estimated Costs**

- 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





#### City Hall Annex - Proposed Location





