



## Legislation Text

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**File #:** 16-0417, **Version:** 1

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Discussion and action on DCI lease of Snodgrass building

### SUMMARY:

The current lease of the Snodgrass building expires on October 31, 2016. By action of the City Council on July 22, notice was provided to DCI that the lease would terminate on October 31. At the August 11 meeting, Council authorized the City Manager to enter into negotiations to renew the contract with DCI. Since that time the Interim City Manager and representatives of DCI have met to discuss a renegotiated lease.

The current DCI lease is summarized as:

- 3 Year lease
- \$75.00 per month (\$900/year)
- City pay all utilities
- City responsible for major maintenance
- DCI responsible for minor maintenance
- Major renovations projects to make the building ready for occupancy was shared by City and DCI (\$14,207.76 invested by DCI, outside of rent payments, from 2013-2016)

DCI has proposed the following changes:

- 1 Year lease
- DCI pay \$100 per month toward rent and all utilities (\$1200/year)
- City provide all maintenance to the building
- If a lease is not signed by October 31, 2016 and future years, that the lease continue on a month-to-month basis until a new lease is signed

DCI has agreed to the proposed lease.

At the August meeting, the lease with C.A.T.S. on the depot building was contrasted with the DCI lease. In summary, the C.A.T.S. lease is:

- 2 Year lease
- \$10 per year
- All revenues from lease of building space and sales remain in the hands of C.A.T.S., expect for a yearly donation of \$500 and use of the event room 4 times per year to the Rotary Foundation
- C.A.T.S. pays utilities
- City provide all maintenance and improvements to the building

**BUDGET ACCOUNT:**

NECESSARY COUNCIL ACTION: Accept proposed lease of the Snodgrass building.