CITY COUNCIL MEMORANDUM

AGENDA ITEM	**Extending the lease agreement for 218B E. Avenue D**
ORIGINATING DEPARTMENT	**IT Services**

BACKGROUND INFORMATION

The City currently leases property at 218B E. Avenue D, occupied by the IT Services Department. The current lease expires on March 31, 2016.

DISCUSSION/CONCLUSION

Since 2001, the City has leased this property to house the IT Services Department. The owner had agreed to maintain the monthly lease payments at $3,800.00 per month for the upcoming term. Staff believes that the lease should be extended by two months to allow time for the IT Services Department to move to Cornerstone and for Building Services to prepare the building for return to the owner.

FISCAL IMPACT

Funding in the amount of $7600.00 is available on account 010-2705-419.44-55 ($2850) and 550-2705-419.44-55 ($4750).

RECOMMENDATION

That the City Council authorize the City Manager to extend the lease for 218B E. Avenue D from March 31, 2016, to May 31, 2016.