



STAFF REPORT

DATE: March 5, 2019

CONSENT

AGENDA ITEM: Rental Lease Agreement Amendment

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

When the City purchased the Brookfield building in April, it assumed the leases of current tenants. Although the EDA took over the ownership the building the leases stayed with the City. The last time rent amounts were adjusted throughout the building was January 1, 2017. Since taking over the building staff has begun reviewing leases and has negotiated some small increases. Three similar agreements were approved in December. Now staff is bringing forward a 3% increase for Kollitz & Wilgren LTD.

ISSUE BEFORE COUNCIL:

Should the City Council approve the monthly rent adjustment agreement with Kollitz & Wilgren LTD?

PROPOSAL:

Similar to the adjustments approved in December, staff has proposed a 3% increase for this lease which has a rolling term requiring a 90 day notice of termination. Included in your packet is a copy of the signed agreement.

FISCAL IMPACT:

Annual increase in revenue of \$744

OPTIONS:

- 1) Approve the monthly rent adjustment agreement with Kollitz & Wilgren LTD
- 2) Amend and then approve the rental agreement amendment
- 3) Do not approve amendments to the rental agreement

RECOMMENDATION:

If removed from the consent agenda:

“Motion to approve the monthly rent adjustment agreement with Kollitz & Wilgren LTD.”

ATTACHMENTS:

- Rental Agreement Amendment