

AGENDA



Thursday, April 30, 2009

**Contract and Land Management
RECOMMENDATION FOR COUNCIL ACTION****Item No. 9**

Subject: Authorize the negotiation and execution of a 36-month lease renewal for approximately 1,440 square feet of nutritional counseling space for the Women Infants and Children Program (WIC) of the Health and Human Services Department, located at 443 Highway 71 West, Bastrop, Texas, from THE MARKETPLACE AT BASTROP LTD, in an amount not to exceed \$73,800 for the lease renewal.

Amount and Source of Funding: Funding for the lease renewal period is contingent upon available funding in future Health and Human Services Department budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Donna Sundstrom 972-6844; Dean Harris 974-7061; April Thedford 974-7141

Prior Council Action: October 16, 2008 - Council authorized the acceptance of a \$745,386 grant from the Texas Department of State Health Services, Women, Infants, and Children Program and appropriated the funds to the Health and Human Services Department Operating Budget to provide services in the cities of Bastrop and Elgin.

Effective February 1, 2009, the Health and Human Services Department assumed responsibility for the Women Infant and Children (WIC) Program located in Bastrop, Texas. The leased facility provides WIC services including program eligibility, nutrition education, and food benefits. The lease was scheduled to expire January 31, 2009. In order to keep the space available for the WIC program, on January 30, 2009, using administrative authority, HHSD entered into a lease assignment and extension for the leased space. The requested authorization allows the City to exercise an extension option to renew the lease from February 1, 2011 through January 31, 2014. The lease terms require the extension option to be exercised by May 1, 2009. The City also has the right to terminate the lease at any time with six months advance written notice. The original lease was executed December 19, 1992.

The current monthly rent is \$1,900 or \$15.83 per square foot annually through January 31, 2011 and includes taxes, insurance, and common area maintenance. The monthly rent during the extension option period from February 1, 2011 through January 31, 2014 will be \$2,050 or \$17.08 per square foot annually and includes the same expenses. The expenses are estimated to comprise approximately \$3.50 per square foot of the annual rent.

This renewal will allow for the continued use of the space by the City; additional negotiated terms and conditions may provide for future extensions of the lease term, including reasonable increases in rent.