



**City Council
Communication**
Office of the City Manager

Date

March 20, 2006

Agenda Item No. 44

Roll Call No. 06-

Communication No. 06-155

Submitted by: Chris Johansen, Housing
Services Director

AGENDA HEADING:

Approval of the Housing Services Department Lease Agreement with HPM Investments, Inc. for space for administrative offices.

SYNOPSIS:

Recommend approval of the lease agreement with HPM Investments, Inc. (Dennis L. Elwell, President, 2401 S.E. Tones Drive, Suite 17, Ankeny, Iowa) for administrative offices at Park Fair Mall for the Housing Services Department.

FISCAL IMPACT:

Amount: \$93,712.04 annual lease cost including common area maintenance and operating expenses. This is \$6.51 per square foot for the lease and \$4.43 per square foot for common area maintenance and operating expenses.

Funding Source: Operating Budget - Public Housing Operating Fund Subsidy, Section 8 Administrative Fees (page 223) and CDBG Administration (page 313).

ADDITIONAL INFORMATION:

The Housing Services Department entered a lease for office space at Park Fair Mall in January 2001 for 6,528 square feet and again in 2002 for an additional 2,038 square feet. The lease recommended for approval, combines these two leases for an additional one year with the option of four one-year renewals. The rent will increase 3% annually.

Additionally, the Housing Services Department is working with HPM Investments to lease adjacent space. The additional space would be used for the following purposes:

- Work stations for our accounting staff that recently moved to DMMHA's Park Fair Mall Office from City Hall
- Applicant interview rooms
- Client interview rooms
- File Management

PREVIOUS COUNCIL ACTION(S):

Date: January 30, 2001

Roll Call Number: 01-295

Action: Approving Municipal Housing Agency Office Lease Agreement at Park Fair Mall. (Council Communication No. 01-050). Moved by Hensley to adopt. Motion Carried 4-0 (3 members absent)

BOARD/COMMISSION ACTION(S):

Date: January 28, 2002

Roll Call Number: 02-149

Action: Approval by the Municipal Housing Governing Board for Office Space Lease Agreement with HPM Investments, Inc. for suite 99

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

This lease will be recommended for approval at a future City Council meeting.