



## CITY COUNCIL STAFF REPORT

<b>PREPARED BY:</b>	Karen Rimmer, City Clerk
<b>DATE:</b>	July 16, 2019
<b>RE:</b>	The Enterprise and Father Hubbard's Cupboard Lease Agreement Amendments

Honorable Mayor and Council,

The utility bills for Old City Hall are paid by the City with reimbursement from both lessees within the building: The Enterprise and Father Hubbard's Cupboard. This reimbursement is based upon the proportionate share of the building that each entity leases, which is 53% and 20% respectively. The remaining 27% is vacant and/or utilized by the City for storage purposes. The Enterprise has been paying \$220.00 per month, while Father Hubbard's Cupboard has been paying \$80.00 per month.

Each lease agreement grants the City the authority to review the building's utilities on an annual basis. Based on this annual review, each lessee's utility costs need to slightly increase in order to cover the actual costs of the utilities. The monthly average for water/sewer/garbage, electricity, and natural gas has increased from \$400.00 per month to \$464.00 per month. Therefore, The Enterprise's portion needs to increase from \$220.00 to \$245.00, and Father Hubbard's Cupboard's portion needs to increase from \$80.00 to \$90.00 (rounded off from \$245.92 and \$92.80).

The Amendments before you at the July 22, 2019 regular Council meeting reflect these changes, which then will be invoiced accordingly for FY2020. Both entities have been notified of these upcoming increases.