

COMMITTEE ON REAL ESTATE

March 26, 2019

A meeting of the Committee on Real Estate was held this date beginning at 4: 04 p.m. at City Hall, 80 Broad Street, First Floor Conference Room.

Notice of this meeting was sent to all local news media.

PRESENT

Chairman Moody, Councilmember White, Councilwoman Jackson, and Mayor Tecklenburg **Also Present:** Matt Frohlich, Rick Jerue, Ashley Anderson, Susan Herdina, Stirling Halversen, and Bethany Whitaker, Council Secretary

The meeting was opened with an invocation provided by Chairman Moody.

Approval of Minutes

On the motion of Councilmember White, seconded by Councilwoman Jackson, the Board voted unanimously to approve the minutes of the March 14, 2019 Real Estate Meeting.

Request approval of the Amendment to Lease for tenant improvements at 2093 Executive Hall Road required for police forensics accreditation in the amount of \$10,760. The property is owned by Traverse Point, LLC. (TMS: 351-01-00-049)

Ms. Anderson stated that this was one of the leases they had approve two meetings ago for the new forensic space. They needed some tenant improvements for accreditation purposes and the owner had agreed to put forth about \$7,400 towards the overall cost, which left the City with about \$10,760 for shower, eye wash station, changing out the flooring, and some office storage.

Chairman Moody said he was fine with it, but it seemed like that should have been something done at the time the lease was entered into. For example, if they couldn't do the improvements, they would have already been in the lease. Ms. Anderson said they knew they would have some improvements, but with the time constraint, they wanted to get into the lease first. They didn't know the cost of all of the improvements at that time. They were pushing to get the lease in place before they did this. So, they got the lease in place, knowing they would come back with an amendment, once they understood what the costs would be. Ms. Herdina stated that they had an idea of what the costs would be when they were negotiating. They just hadn't brought it to a final point yet. So, this number was not unexpected. They anticipated that they would be coming back at about this number. Chairman Moody said this was a small number and somewhat insignificant, but if it was a larger number, and they couldn't do the improvements for some reason, the whole lab might be at risk. Ms. Herdina said that was correct, but in this particular case, there was an understanding that these additional things would need to be done but there were some time constraints to get the main lease completed. She agreed, and this was not something they would normally do. Chairman Moody said that was what he wanted to hear. He would be concerned if they entered into a larger lease, and didn't have the numbers nailed down.

On the motion of Councilwoman Jackson, seconded by Councilmember White, the Committee voted unanimously to approve the above item.

Having no further business, the Committee, adjourned at 4:10 p.m.

Bethany Whitaker
Council Secretary