



21-0475

**TITLE:** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute an Extension and Modification to the Commercial Lease Agreement with El Dorado Properties, LTD for the premises located at 216 North Tennessee Street

**COUNCIL GOAL:** Operational Excellence

**MEETING DATE:** June 1, 2021

**DEPARTMENT:** City Attorney's Office

**CONTACT:** Mark Houser, City Attorney

**RECOMMENDED CITY COUNCIL ACTION:**

- Approval of the Resolution.

**ITEM SUMMARY:**

- This Resolution authorizes the City Manager to execute an Extension and Modification to the Original Commercial Lease for 216 N. Tennessee St. for an additional three-year term, through June 30, 2024.

**BACKGROUND INFORMATION:**

- The City first entered into a Commercial Lease Agreement with El Dorado Properties, LTD for the property at 216 N. Tennessee St. on July 1, 2013 for an initial 3-year term. The Commercial Lease Agreement was subsequently renewed on July 1, 2016 for an addition five-year term, which will conclude June 30, 2021.
- The City continues to use the premises at 216 N. Tennessee St. for additional staff office space, currently the Communications and Marketing Department.
- An additional three-year lease renewal will allow the City to continue to use the space through June 30, 2024, at which time it is expected that staff offices will be consolidated at the new McKinney Community Complex.

**FINANCIAL SUMMARY:**

- Under this lease renewal, rental payments will be increased from \$2,632/month

set by the previous lease renewal to \$2,925/month, for a total of \$105,300 to be paid over the three-year term.

**BOARD OR COMMISSION RECOMMENDATION:**

- N/A

**SUPPORTING MATERIALS:**

[Resolution](#)