COON CREEK WATERSHED DISTRICT
Request for Board Action

MEETING DATE:            July 24, 2017
AGENDA NUMBER:           7
ITEM:                  Extension of Office Lease

AGENDA:                  Policy

ACTION REQUESTED
Direct staff to notify the land lord of the District’s intent to extend the existing lease.

BACKGROUND
In June, 2012 the District completed execution of a 60-month lease running from October, 2012 to September 30, 2017.

The lease provides the District the option to “extend the initial term of the lease for up to the three periods of three years each (each is a “Renewable Period”). The District may renew the lease “by providing Landlord written notice of its option to renew at least sixty (60) days before expiration of the initial Lease term” (Section 2, part c of lease agreement).

ISSUES/CONCERNS
60 Day Notice: 60 days is August 1, 2017

Notice: An email was sent to Steve McEnelly Monday July 17, 2017 at 8:25 AM indicating that “we do intend to extend the lease”.

Lease Terms and Conditions: The lease indicates the “All the terms and conditions of this lease will continue in full force and effect during any renewal period, and the base rent for those periods will be the amounts set forth in Section 4 of the Lease Agreement” (Section 2, part c of lease agreement).

Lease Extension Length: There is no set time period for a lease ‘extension’ in the Lease Agreement. Given the status of things a 1 year extension under the existing terms and conditions is not unreasonable, although that does not need to be determined at this time.

PRIOR DECISIONS
The Board has discussed the need to extend the lease or make accommodations for office space, preferably in the existing building.
OPTIONS
1. Receive the report and recognize the July 17 email as the notice to extend the lease

2. Direct staff (the Attorney) to draft a notice of intent to renew and extend the existing lease and deliver it to the landlord by August 1, 2017

RECOMMENDATION
Direct staff (the Attorney) to draft a notice of intent to renew and extend the existing lease and deliver it to the landlord by August 1, 2017