



Request for City Council Committee Action

Date: March 31,2003
To: Honorable Barb Johnson, Chair Ways and Means Committee
Referral to:

Subject: Revise budget direction regarding City Attorney's lease.

Recommendation:

1. Re-direct the City Attorney's Office to postpone renegotiations of their lease at 333 South Seventh Street.
2. Increase City Attorney's budget, Fund 0100 Agency 140 Org 1410 Object 5080 by \$86,000.00
3. Reduce General Fund contingency budget, 0100-175 Org 1750 Object 5130 by \$86,000.00, with expectation that contingency will be restored when final savings are identified.

Prepared by: Steven Kotke, Director of Property & Equipment Services, 673-2402

Approved by: John Moir _____, City Coordinator

Steve Kotke _____, Director of Property & Equipment Services

Presenters: Steven Kotke, Director of Property & Equipment Services,

<p>Financial Impact (Check those that apply)</p> <p><input type="checkbox"/> No financial impact - or - Action is within current department budget. (If checked, go directly to Background/Supporting Information)</p> <p><input type="checkbox"/> Action requires an appropriation increase to the Capital Budget</p> <p><input checked="" type="checkbox"/> Action requires an appropriation increase to the Operating Budget</p> <p><input type="checkbox"/> Action provides increased revenue for appropriation increase</p> <p><input type="checkbox"/> Action requires use of contingency or reserves</p> <p><input type="checkbox"/> Other financial impact (Explain):</p> <p><input checked="" type="checkbox"/> Request provided to the Budget Office when provided to the Committee Coordinator</p>
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Background/Supporting Information:

The City Attorney's current lease of office space at the Accenture building, located at 333 South Seventh Street, expires in June 2005. Given the current market conditions, it first appeared that it would be advisable to renegotiate the lease at this time to realize savings for 2003. The 2003 Council adopted budget (footnote aa) directed the City Attorney's office to renegotiate their lease for a savings of \$86,000.00 and reduced their budget accordingly.

The Facilities, Space and Asset Management committee, which by council resolution is responsible for the oversight of City's space issues, has revisited this issue. Based on budgetary and re-organization uncertainties in the city over the next few years we would recommend postponing the renegotiations of the City Attorney lease. This issue will be evaluated again after the City's business plans and 2004 budgets are established. The City Attorney has been consulted on this matter and he understands the rationale for delaying renegotiation of the lease. We would also recommend restoring the City Attorney's budget by \$86,000.00. The increase in the appropriation will be offset by a decrease in the budgeted contingency account. The City Budget Director is in agreement with this recommendation.