



City of Grand Island

Tuesday, April 26, 2005

Council Session

Item G8

**#2005-97 - Approving Renewal of Leases at Cornhusker Army
Ammunition Plant for Storage Buildings**

Staff Contact: Doug Walker

Council Agenda Memo

From: Douglas R. Walker, City Attorney

Meeting: April 26, 2005

Subject: Approving Renewal of Leases at Cornhusker Army Ammunition Plant for Storage Buildings

Item #'s: G-8

Presenter(s): Douglas R. Walker, City Attorney

Background

On May 22, 2001, City Council approved the leasing of several buildings at the former Cornhusker Army Ammunition Plant pursuant to the provisions of Resolution 2001-132. The leases that were approved provide for an automatic one year renewal requested by the lessees. The resolution that is presented for Council consideration would authorize the city to renew the leases on the two storage buildings located on city property at the former Cornhusker Army Ammunition Plant.

Discussion

The city purchased property at the former Cornhusker Army Ammunition Plant that had several storage buildings located on it. The city has been leasing these two storage buildings to obtain revenue and utilize these assets. The lessees of the two buildings are to Dominion Construction Company and Jerry Harder. Both of these owners would like to renew their lease for another year. There have not been any problems with damage to the property or with non payment of rent and city Parks & Recreation officials are recommending that the Council extend the lease for an additional year.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the resolution authorizing the city to extend the leases for another year.

2. Disapprove the resolution which would not permit the city to enter into leases for another year.
3. Modify the resolution or the leases to meet the wishes of the Council
4. Table the issue

Recommendation

City Administration recommends that the Council approve the resolution authorizing the extension of the leases for an additional year.

Sample Motion

Approve the resolution authorizing the city to extend the leases for an additional year.

R E S O L U T I O N 2005-97

WHEREAS, the City of Grand Island is the owner of an approximately 420 acre tract of land at the former Cornhusker Army Ammunition Plant, which has several buildings which were leased by the US Army Corp of Engineers during their ownership of the property; and

WHEREAS, on May 22, 2001, by Resolution 2001-132, the City approved Building Leases with the tenants of the buildings pending development of the property; and,

WHEREAS, the leases provide an automatic one-year renewal if requested by the Lessee's; and

WHEREAS, three of the Lessee's of storage buildings have requested that their lease be extended for another year.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Building Leases at the former Cornhusker Army Ammunition Plant are hereby authorized to be extended for an additional year to the following Lessees in accordance with the Building Leases:

<u>Lessee</u>	<u>Description</u>	<u>Rental</u>
Dominion Construction Company	Storage building	\$2,000/yr.
Jerry Harders	Fire/guard building	\$500/yr.

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Adopted by the City Council of the City of Grand Island, Nebraska, April 26, 2005.

RaNae Edwards, City Clerk