



# Lake Havasu City

Lake Havasu City  
Municipal Courthouse  
Council Chambers  
92 Acoma Boulevard  
Lake Havasu City, Arizona  
86403  
[www.lhcaz.gov](http://www.lhcaz.gov)

## Legislation Text

File #: ID 18-1718, Version: 1

### COUNCIL COMMUNICATION

**TO:** Honorable Mayor and Council

**FROM:** Jess Knudson, City Manager

**SUBJECT:**

Approve the Lease Agreement with Havasu Community Health Foundation for Property Located at 1980 North Kiowa Boulevard to Operate a Food Bank (*Jess Knudson*)

**FUNDING SOURCE:**

N/A

There is no cost to the City associated with this Agreement. The City will collect a monthly payment for the lease of this property.

**PURPOSE:**

Approve a Lease Agreement with the Havasu Community Health Foundation (HCHF) to house operations of a food bank on City owned property at 1980 North Kiowa Boulevard.

**BACKGROUND:**

Interagency is no longer operating a food bank in Lake Havasu City. HCHF has expressed a desire to operate a food bank and is seeking a lease agreement from the City to house the operations of a food bank on City-owned property.

The Agreement is for a five-year term with the option to extend an additional five-years with consent of both parties. The lease rate of \$0.55 per square foot is determined by the existing market.

HCHF anticipates spending \$40,000 for permanent improvements to the building, including air conditioners, drywall, demolition, and other similar improvements. The agreement allows the \$40,000 in tenant improvements to be used as a credit on the lease rate. The first year of lease rates is not collected by the City, but those rates are evenly folded into the next four years of lease rates.

**COMMUNITY IMPACT:**

This agreement and the efforts of the HCHF will allow for the operation of a food bank in Lake Havasu City to serve residents who are in need.

**FISCAL IMPACT:**

The City is expected to collect, on average, \$6,600 per year over the first five-year term of this agreement. If both parties agree to renew the agreement for an additional five-year term, the City would collect \$14,520 per year.

**ATTACHMENTS:**

Lease Agreement

**SUGGESTED MOTION:**

I move to approve the Lease Agreement with Havasu Community Health Foundation for property located at 1980 North Kiowa Boulevard, Lake Havasu City, Arizona, to operate a food bank.