

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 25, 2005
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: JAMES K. HARTMANN, CITY MANAGER
SUBJECT: BUDGET MEMO #112 : INCREASE IN COSTS FOR LEASED FACILITIES

This memorandum is provided in response to Mayor Euille's request for information regarding the increase in the budget for leased facilities for FY 2006 as compared to FY 2005.

The City's facility General Fund lease costs are estimated to increase by approximately \$704,959, or 27.3% in FY 2006 as compared to FY 2005. Some of the increase is attributable to escalation clauses as provided by each individual lease. Escalation is an average of 3 percent. The additional increase is a result of first full year funding for leases entered into on a partial year basis in FY 2005. Leases in this category include 110 North Royal Street (City offices being moved from City Hall to Tavern Square), 2900 and 2960 Eisenhower Avenue, and 3900 Hoofs Run Drive (Police Department use). ITS, Housing and some elements of Code Enforcement will be moving or have already moved into leased space at Tavern Square. The Police Department occupies temporary leased space in four locations (office, garage and warehouse space) as part of the department's temporary move out of the Public Safety Center due to overcrowded conditions and the work to repair the first floor slab. All rent increases are noted in the table below by department.

Table with 4 columns: Department, FY 2005, FY 2006, Difference. Rows include Housing, Police, ITS, Fire (Code), Other /1, and Total.

/1 includes Office on Women, City Manager, Commonwealth Attorney, Sheriff, Human Rights, Other Criminal and Justice Services, Internal Audit, Finance, City Attorney, Registrar of Voters, General Services, Human Services and Non-Departmental