



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: January 7, 2019

Re: Authorizing a Storage Lease Agreement between City of Columbia and Ishams Ordinary, LLC

Executive Summary

Staff has prepared for Council consideration an Ordinance authorizing the city manager to enter into a Storage Lease Agreement with Ishams Ordinary, LLC. This Storage Lease Agreement formalizes the terms and conditions for the use of the storage space. Annual revenue from this lease agreement will be \$750 to the Railroad utility.

Discussion

The City is the owner and operator of the Columbia Terminal Railroad (COLT) which owns and manages a storage shed located on Fay St which currently has space that is not being used. At the August 6, 2018 Council meeting it was suggested that a "For Lease" sign be placed at the property to assess interest in leasing the space from the City. The railroad placed a for lease sign on the Fay St building on October 8th.

Since that time the COLT railroad has received two additional inquiries, other than the original interested party. The COLT Railroad Operations Manager met with one on November 11th. The party has notified the City that he wasn't interested. The Railroad Operations Manager spoke with the second interested party on November 15th and have yet to receive a return call that he was interested. He was more interested in a purchase.

Ishams Ordinary, LLC still wishes to rent storage space at this location to store some of its equipment and materials related to its business. The initial term of this agreement shall be for one (1) year, once the first annual rental fee has been received. This agreement will automatically renew for successive one (1) year terms until terminated by either the City or Ishams Ordinary. The annual revenue from this lease agreement will be \$750 to the COLT Railroad increasing at 2.5% per year.

Fiscal Impact

Short-Term Impact: Annual revenue from this lease agreement will be \$750 to the Railroad utility.

Long-Term Impact: None



Strategic & Comprehensive Plan Impacts

Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

Legislative History

Date	Action
8/6/2018	B169-18 Authorizing a storage lease agreement with Ishams Ordinary, LLC for the use of a City-owned storage building on Columbia Terminal Railroad (COLT) right-of-way near 700 Fay Street.

Suggested Council Action

Authorize the city manager to execute a Storage Lease Agreement between City of Columbia and Ishams Ordinary, LLC.