



Adams Tower Sixth Floor Leasing Opportunity

April 22, 2024

Purpose

- The purpose of this presentation is to discuss the opportunity that the City has to lease the sixth floor of the Adams Tower Building.
- Staff is also seeking consensus from Council regarding the proposed opportunity.



Overview

- Provide Council with a background on the growing employee population, including current challenges.
- Overview the opportunity to lease additional office space at the sixth floor of Adams Tower.
- Seek guidance from Council on how to proceed.



Background

- As Commerce City continues to grow and develop, the number of City employees needed to serve the community increases.
- The number of full-time employees (FTEs) employed by the City continues to increase year over year, but the space that we have available for employees to work in has not grown at the same rate.
- Staff has been exploring different options for accommodating the growing City employee population.



Background Continued

- Current FTEs are housed based on department and work from the Civic Center, Municipal Services Center, and the two recreation centers.
- The fifth floor of Adams Tower is currently being renovated and will house the Community Well Being Team and their community partners by the end of this year.
- No additional office space is owned or operated by the City.



Civic Center – Current State

- The Civic Center currently houses 196 non-public safety employees, but providing all FTEs with adequate office space has been a challenge.
- Many employees are already sharing desk space.
- The City is spending \$215,281 on expansion and remodeling efforts to better accommodate for current and future FTEs at the Civic Center:
 - Remodeling of the City Attorney Offices
 - Remodeling of the City Manager's hallway
 - Remodeling the Finance Department
 - Remodeling of one large and one small storage closet
 - Remaining option is to remodel the City Council Office
 - No other additional space is available



Operational Challenges

- In the absence of additional office space, the City Manager will be unable to recommend that City Council approve budget requests to hire new FTEs.
- Without continuing to grow the number of FTEs, operational challenges will begin to emerge:
 - Current employees may become overwhelmed by the amount of increased work that will be required to meet service demands.
 - Customer response times may increase.
 - The ability to implement new programs or services will decrease.

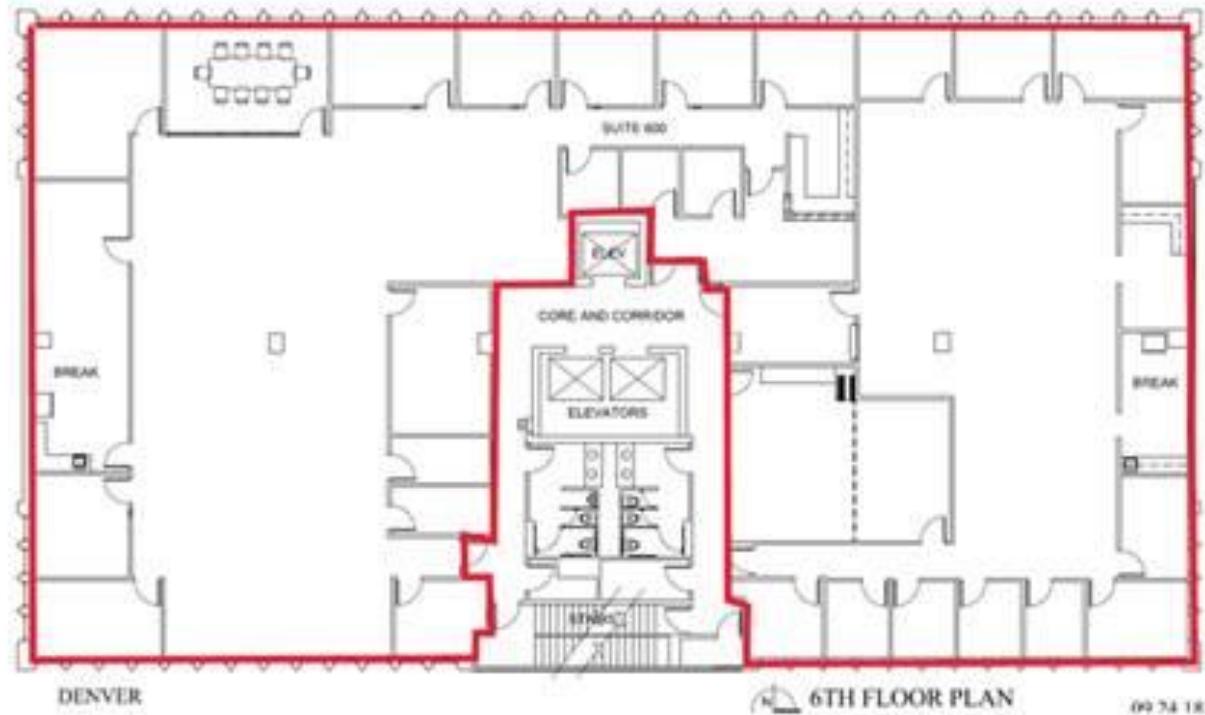


Proposed Solution

- The sixth floor in the Adams Tower building is currently vacant.
 - 10,300 square feet of space
 - There is enough space on the sixth floor to comfortably house 50-60 employees.
- The City has been offered an all-in lease rate of \$16.31 per square foot for the office space on the sixth floor.



Sixth Floor Schematic Floor Layout



Sixth Floor Images



Market Comparison

- The City has been offered an all-in lease rate of \$16.31 per square foot for the sixth floor.
- The City is currently leasing space for the Police Substation for \$33.00 per square foot.
- The average office lease rate for Metro Denver as of Q4 2023 was \$31.28 per square foot.*

*Data is from Co-Star



Council Direction

- Does Council wish for staff to move forward with a lease for the sixth floor of the Adams Tower Building?





Discussion

