

RECOMMENDATION TO THE EXECUTIVE COMMITTEE

FROM:

Patrick Lewis, President

RECOMMENDATION:

To approve an additional \$40,000 from Capital Reserve to the 2019 Capital Budget for building and tenant improvements.

BACKGROUND:

Several building related expenses have become necessary since the approval of the 2019 Capital Budget:

- A long-term tenant did not renew their lease creating the need to improve the space prior to finding a new tenant, including a new store front, paint, flooring and cabinetry for Suite 201: \$10,962
- The tenant vacancy provides the opportunity for Arizona REALTORS® to convert some of the space for a conference room and storage, and the potential for two additional offices on the western end of the floor, depending on a new tenant's needs. (The space is listed with two options – one with the western end two offices and one without.) Conversion cost: \$8,459
- Furnishings for the proposed conference room: \$15,339
- Phone/Video Conference equipment: approximately \$5,000

BUDGET IMPACT:

None to Operating budget – increase to 2019 Capital Budget from \$168,280 to \$208,280.

MOTION:

TO APPROVE THE REALLOCATION OF \$40,000 FROM THE CAPITAL RESERVE TO THE 2019 CAPITAL BUDGET FOR BUILDING AND TENANT IMPROVEMENTS.

FOR MORE INFORMATION CONTACT:

Michelle Lind – (602) 248-7787 / michellelind@aaronline.com

OR Nick Catanesi – (602) 248-7787 / nickcatanesi@aaronline.com