

SINCE 1889

TOWN OF OCEAN VIEW

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March 1, 2020

TO: Mayor and Council

FROM: Carol S. Houck, Town Manager

SUBJECT: Recommendation Regarding 3-Year Extension to Lease Agreement Between the Town of Ocean View and the University of Delaware Acting on Behalf of the Osher Lifelong Learning Institute (OLLI)

Background

The Town of Ocean View and the Osher Lifelong Learning Institute (OLLI), under the purview of the University of Delaware, have enjoyed a positive relationship through our provision of 32 West Avenue/Town Hall, for courses to be offered in our community. The most recent lease agreement between the parties began in August of 2017 and expires May 31, 2020. The relationship between our organizations began in 2014.

Lease Extension

OLLI has expressed interest in another 3-year extension to their lease under the current terms. I have reviewed the file and considered the following:

- The benefit to their courses being offered in our community,
- The cost to run the facility on a monthly basis (cleaning, utilities, basic interior maintenance),
- The number of hours OLLI programs occupy the facility and,
- The professional manner of their staff on site/instructors and our good working relationship

Revenue impact of this lease – Semester rent is estimated at \$1,800 or \$90 per class day (see lease terms). Historically, in FY18, FY19 and FY20 the Institute has paid the Town of Ocean view \$1,800 a semester (two semesters a FY) or \$3,600 a FY. They average 575 hours of time in our facility during a FY.

Recommendation

It is therefore recommended that Mayor and Council authorize the Town Manager to agree to a second three-year lease extension to the University of Delaware, Osher Lifelong Learning Institute for use of 32 West Ave./Town Hall, in accordance with the attached document and for the term of August 1, 2020 to May 31, 2023.