

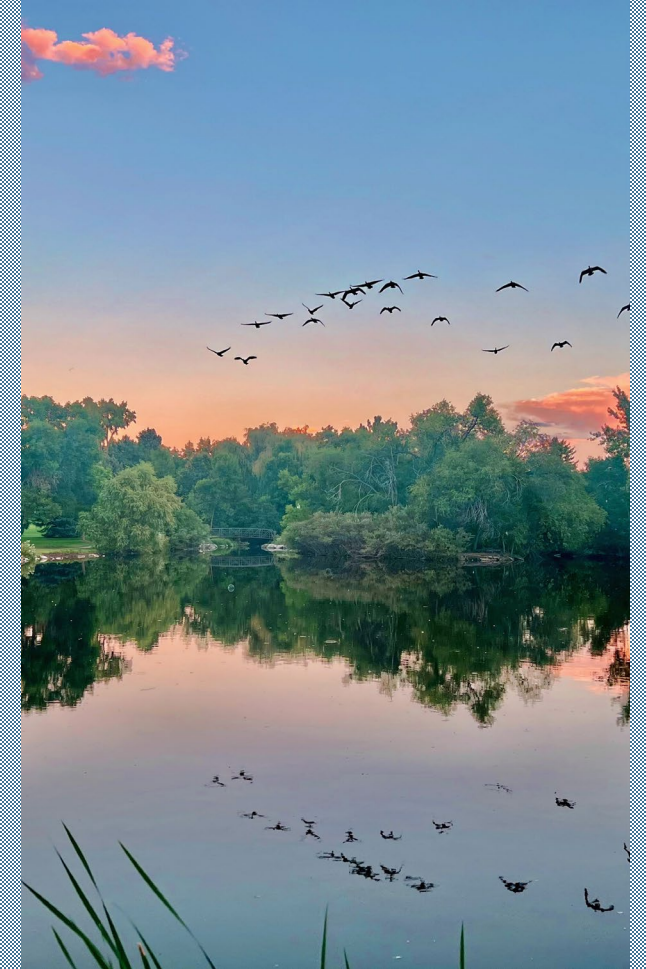
CITY WORKSPACE UPDATE

Public Works Department

Julie Rotter, Facilities Manager

Brent Soderlin, Director of Public Works & Utilities

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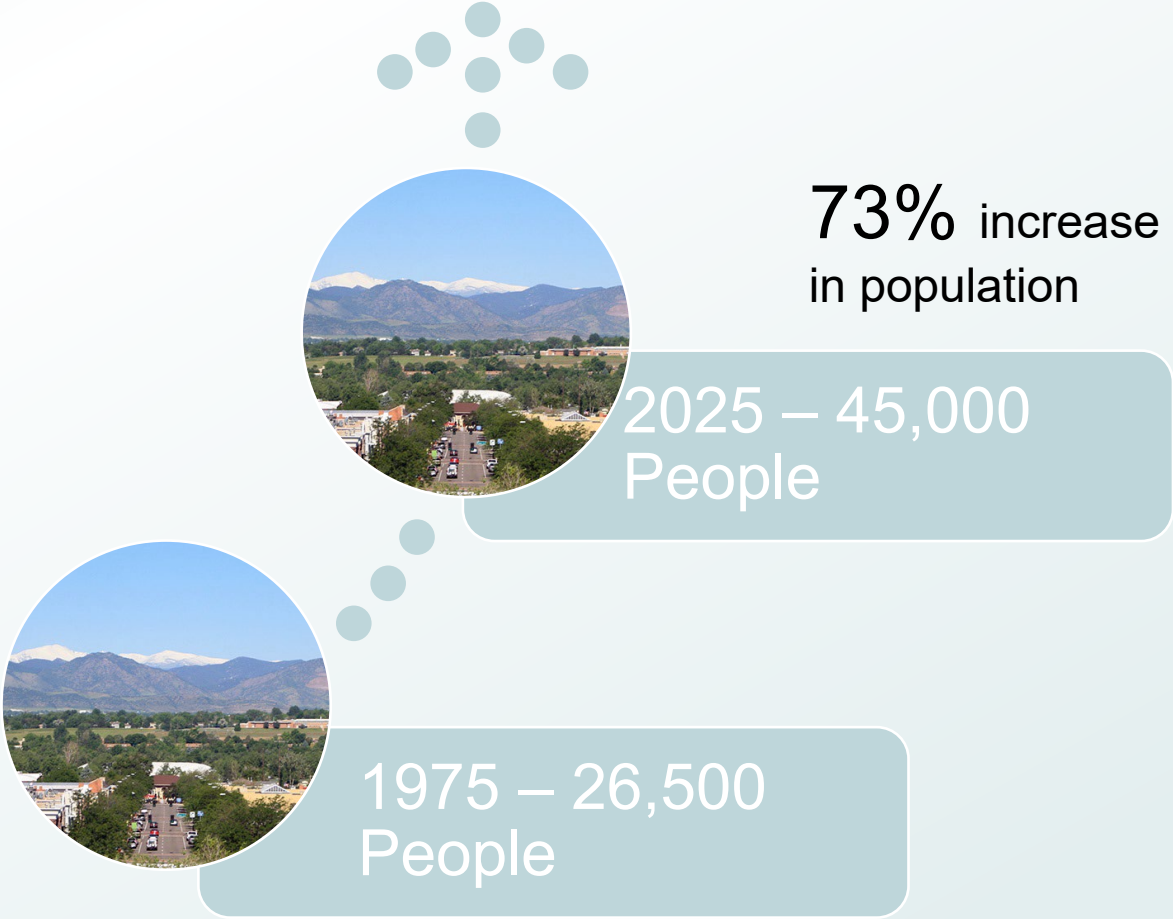


AGENDA

- City and Staff Growth Overview
- Littleton Center Capacity & Operational Impacts
- Lease Options & Cost Comparison
- Next Steps and Recommendation
- Questions

CITY GROWTH

- Over the last 50 years, Littleton has experienced steady population growth and evolving service expectations. As the community has grown from approximately 26,500 residents in 1975 to roughly 45,000 today, the City’s operational and facility needs have also evolved.



STAFF GROWTH

- 1975 – 166 employees
- 2025 – 351 Employees
- 111% increase in Employees
- Expansion of modern municipal functions including information technology, digital services, economic development, communications, sustainability, and specialized public safety services.






1975 – 166
Employees



2025 – 351
Employees

STAFF GROWTH

Department/Location	1977	2025	% Increase
City Staff at Littleton Center	46	103	126% 
Police Department at Littleton Center	56	123	117% 
City Staff at Other Locations	64	125	125% 
Totals	166	351	

LITTLETON CENTER

1975 Original City Center

2010: PD Expansion

1981: FD Expansion

2015-2025: Growth in Personnel

Original City Center

- 2 floors
- 100 occupants
- Total sf = 56,000

FD Expansion

- 2 floors
- Added 8,520 sf
- Total sf = 64,520

Modernization & Expansion

- Add 36,000 sf for PD
- Reduced LC staff Space from 56K sf to 53.4K sf
- Total sf = 100,520

Personnel Surge

- Significant increase in staffing to support public safety and community policing initiatives.
- 226 Employees (PD + LC)

LITTLETON CENTER

Growth

- Growing staff versus shrinking footprint
- Staff increase 124% (46 to 103)
- Total space decreased from 56,000 to 53,400 square feet
- Office space decreased 50% per person

Space

- Subdivided 11 offices into 22
- Converted 4 conference rooms to offices (9 down to 5)
- Increased workstations from 34 to 77
- Implemented shared workstation procedures
- Building layout is inefficient (Circulation takes up to much space)

LITTLETON CENTER

Operational Reality

- City-owned administrative facilities are operating at or near full capacity
- Limited ability to accommodate future staffing or operational growth

Impacts

- Reduced meeting and collaborative space impacts daily operations
- Workspace increasing less convenient and inviting for employees
- No remaining internal swing space within the Littleton Center as other facility construction occurs.



BRIDGE STRATEGY

Today's Reality

- Littleton Center at capacity
- No remaining swing space
- Reduced collaboration areas
- Immediate need for additional office space to meet operations needs.

Strategic Response

- Leasing as a Strategic Bridge
- Faster implementation than facility expansion or reno.
- Avoids major near-term capital investment before completion of broader facilities planning
- Provides operational flexibility as future space needs are determined

Future Plan

- Facilities Master Plan (2026-2027)
- Data driven long term decisions
- Campus and building strategy evaluation
- Avoid premature capital investment

Proposal: "Littleton Development Center"
to be located on the 4th floor of the SMHO / Wells Fargo Building

LEASING OPTION DETAILS

Full-Service Lease

- One all-inclusive rent payment Landlord pays:
Property taxes
- Insurance
- Maintenance & CAM
- Often utilities & janitorial
- Highest cost predictability
- Common in office buildings

Modified Gross Lease

- Base rent + shared operating expenses
- Costs split between landlord and tenant
- Often uses a “base year” expense structure
- Moderate cost predictability
- Common in multi-tenant office properties

Triple Net (NNN) Lease

- Base rent +
 - Property taxes
 - Insurance
 - Maintenance (CAM)
- Tenant usually pays utilities & interior repairs
- Lower base rent
- Highest tenant responsibility
- Common in retail properties



COMPARATIVE LEASE RATES

Price Comparisons of Recent Similar Commercial Office Space for Rent

Location	Cost per SF (\$)	Rental Type
SMHO / "Wells Fargo" Building (Littleton)	\$15.50	Full Service
1241 W Mineral Ave (Littleton)	\$22.00	Full Service
5878 S Rapp Street (Littleton)	\$23.00	Modified Gross
10901 W Toller Drive (Jeffco)*	\$30.00	Triple Net (NNN)
Average Cost per SF	\$22.63	

*Added \$12 per SF for added costs

LEASE DETAILS



Wells Fargo Building Lease

- 9,962 SF (the fourth floor)
- 10 Years at \$15.50 with 3% annual escalation
- Full-Service Lease
- Includes some Tenant Improvement (TI) allowance for new carpet, paint, and some wall work.

10 Year Lease Option		
Year	Cost per SF (\$)	Total Cost Per Year (\$)
2026	\$15.50	\$154,411.00
2027	\$15.97	\$159,093.14
2028	\$16.45	\$163,874.90
2029	\$16.94	\$168,756.28
2030	\$17.45	\$173,836.90
2031	\$17.97	\$179,017.14
2032	\$18.51	\$184,396.62
2033	\$19.07	\$189,975.34
2034	\$19.64	\$195,653.68
2035	\$20.23	\$201,531.26
2036	\$20.84	\$207,608.08
Total Cost over 10 Years =		\$1,978,154.34

NEXT STEPS:

- Letter of Intent (LOI) with SMHO to lease space.
- Negotiate and sign a 10-year full-service lease for approximately 9,962 square feet in the Wells Fargo building at \$15.50 per square foot with a 3% annual escalation.
- Design space, coordinate with SMHO on tenant finish requirements and order furniture, fixtures and equipment (FF&E).
- Coordinate workspace transition and communicate change to community.

RECOMMENDATION

Authorize City Manager to sign Letter of Intent (LOI) with SMHO to lease space generally pursuant to terms outlined in this presentation.

LITTLETON CENTER

Questions?