



Agenda Memorandum

Agenda Item - VIII.B

City Council Meeting
August 21, 2023

Subject: Norby's Lease and Liquor Management Agreement - Consider Updating and Approval

Prepared By: Claire Baartman, City Administration

Background of Issue:

Attached is an updated Building Lease and Liquor Management Agreement between the City of Dell Rapids and Deb Brojberg owner and operator of Norby's. The City of Dell Rapids has had a long term lease agreement with Deb Brojberg to operate Norby's out of the City owned building at 329 E 4th Street. This relationship established in 2005 and remains positive nearly 20 years later. The agreement between the City and Norby's is two pronged as it includes a liquor operating agreement and a building lease agreement. The responsibilities of each party are outlined throughout the agreement.

Administrator Weiland and Finance Officer Baartman are recommending increasing the monthly rent from \$1,250 per month to \$1,500 per month. Below is a rent history that reflects the rent has been established at \$1,250 since 2010. The recommendation to raise the monthly rent is based on this history. The recommendation is also based on the City's 2024 budget that includes making improvements including the installation of a rear window and installation of an exterior rear deck. The City is also facing the need to replace the roof on the building.

Norby's Rent History

DATE	RENT/MO.	INCREASE	ANNUAL
2005- Original	\$ 800.00		\$ 9,600.00
7/1/2006	\$ 900.00	100	\$ 10,800.00
7/1/2007	\$ 980.00	80	\$ 11,760.00
7/1/2008	\$ 1,060.00	80	\$ 12,720.00
7/1/2009	\$ 1,150.00	90	\$ 13,800.00
7/1/2010	\$ 1,250.00	100	\$ 15,000.00
7/1/2011	\$ 1,250.00	0	\$ 15,000.00
7/1/2012	\$ 1,250.00	0	\$ 15,000.00
7/1/2013	\$ 1,250.00	0	\$ 15,000.00
7/1/2014	\$ 1,250.00	0	\$ 15,000.00
7/1/2015	\$ 1,250.00	0	\$ 15,000.00
7/1/2016	\$ 1,250.00	0	\$ 15,000.00
7/1/2017	\$ 1,250.00	0	\$ 15,000.00
7/1/2018	\$ 1,250.00	0	\$ 15,000.00
7/1/2019	\$ 1,250.00	0	\$ 15,000.00
7/1/2020	\$ 1,250.00	0	\$ 15,000.00
7/1/2021	\$ 1,250.00	0	\$ 15,000.00

7/1/2022	\$	1,250.00	0	\$	15,000.00	No increase for 12 years.
7/1/2023	\$	1,500.00	250	\$	18,000.00	Proposed 2023 increase

Recommendation

Recommend the City Council approve extending the Lease Agreement Liquor Management Agreement between the City of Dell Rapids and Deb Brojberg, owner and operator of Norby's, for the operation of their business at the City owned property at 329 E 4th Street in the monthly amount of \$1,500 per month rent.

ATTACHMENTS:

[BAR LEASE LIQUOR CONTRACT with Deb renewal 7-1-2023 FINAL.docx](#)