



Legislation Text

File #: 30017, **Version:** 1

Fiscal Note

This resolution modifies the dates of a previously approved 24-month lease due to the delay in construction of the redevelopment project which will include Fire Administration space. The City is required to pay a monthly rent of \$20,525 plus any cost associated with data and phone services. Annual lease costs are \$102,625 in 2013, \$246,300 in 2014, and \$143,675 in 2015. The 2013 Capital Budget includes funding for 12 months of the lease; the remaining 12 month costs will need to be included in future years' capital budgets.

Title

Authorizing the execution of a lease at 30 West Mifflin Street for the temporary relocation of administrative space for the City of Madison's Fire Department.

Body

On November 27, 2012, the Common Council adopted Resolution No. 28316 which authorized the execution of a lease for space within a building located at 30 West Mifflin Street for the temporary relocation of the City of Madison's Fire Department administration offices during the construction and build out of a new Madison Fire Administration Condo Unit in a redevelopment project located at 305-309 West Johnson Street. Subsequent to the adoption of the resolution the timeline for the construction of the redevelopment project was revised which requires a change to the lease term of January 1, 2013 to August 1, 2013. Adoption of this resolution will change the lease term to August 1, 2013 to July 31, 2015. All other terms and condition of the lease approved in the previous resolution will remain the same.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to execute a lease (the "Lease") with Madison Real Estate Properties and Madison East Shopping Center Partners or assigns ("Owner") for space within a building located at 30 West Mifflin Street for the temporary relocation of Madison Fire Department Administration, subject to the following terms and conditions:

1. The initial term of the lease (the "Lease Term") shall be twenty four (24) months commencing on August 1, 2013 and ending on July 31, 2015. The initial lease term may be revised by mutual agreement of the parties. City shall be granted access to the Leased Premises on or about June 1, 2013 for installation of City's equipment, fixtures and furniture.
2. At the expiration of the Lease Term, the City will have the option to extend the term of the Lease for two (2) additional three (3) months renewal terms with a ninety (90) day written notice prior to the expiration of the lease term or expiration of any renewal term.
3. The leased premises shall be floors 8 and 9 located at 30 West Mifflin Street consisting of a total of 15,800 gross square feet and 13,000 net square feet (the "Leased Premises").
4. The Owner, at its sole cost, will provide improvements to the Leased Premises that are acceptable to the City of Madison's Fire Department staff as outlined in the Letter of Intent executed between the parties.
5. The monthly rent shall be \$20,525.00 per month and shall include all expenses related to the Leased Premises including utilities janitorial, real estate taxes, assessments, extended coverage insurance premiums, refuse and recycled material removal, snow removal, building repair and maintenance costs including those related to base building systems (i.e., fire alarm and electrical systems); HVAC expenses (including all utility and maintenance costs); management administrative fees and twenty-two (22) parking spaces.

6. Upon the anniversary date of each successive lease year the monthly rent shall increase by 2%.
7. The Owner shall maintain throughout the Lease Term and any renewal term, insurance coverage of the proper type and amount of coverage as approved by the City's Risk Manager
8. Upon expiration or termination of the Lease, the City shall remove all personal property from the Leased Premises, and the Owner shall own all improvements, if any, made to the Leased Premises by the Owner and the City.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are hereby authorized to execute the Lease and all additional documents that may be required to complete this transaction.