



Legislation Details (With Text)

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|------------------------|---|----------------------|-------------------|--------------|--|
| File #: | 75853 | Version: | 1 | Name: | 8234 - First Amendment to Lease 226 State St |
| Type: | Resolution | Status: | Passed | | |
| File created: | 1/30/2023 | In control: | FINANCE COMMITTEE | | |
| On agenda: | 2/28/2023 | Final action: | 2/28/2023 | | |
| Enactment date: | 3/6/2023 | Enactment #: | RES-23-00178 | | |
| Title: | Authorizing the City's execution of a First Amendment to a Subterranean and Air Space Lease with Constantine and Tom Christ, pertaining to the improvements at the property located at 226 State Street, which amends to existing lease to include an additional private improvement discovered in the W. Johnson Street right-of-way, correct the location of the existing underground vault, and adjust the annual rent accordingly. (4th A.D.) | | | | |
| Sponsors: | Michael E. Verveer | | | | |
| Indexes: | | | | | |
| Code sections: | | | | | |
| Attachments: | 1. 8234 First Amendment to Lease.pdf, 2. FILE ID 07007 | | | | |

| Date | Ver. | Action By | Action | Result |
|-----------|------|-------------------------------|--|--------|
| 2/28/2023 | 1 | COMMON COUNCIL | Adopt | Pass |
| 2/13/2023 | 1 | FINANCE COMMITTEE | RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER | Pass |
| 2/7/2023 | 1 | COMMON COUNCIL | Refer | Pass |
| 1/30/2023 | 1 | Economic Development Division | Referred for Introduction | |

Fiscal Note

The proposed resolution amends a Subterranean and Air Space lease related to property at 226 State Street. Annual rent payments to the City are increased in consideration of additional items encroaching upon the right-of-way. Payments in 2023 will total \$438.84 and will be deposited in the General Fund. These payments are subject to a 5% increase every five years.

Title

Authorizing the City's execution of a First Amendment to a Subterranean and Air Space Lease with Constantine and Tom Christ, pertaining to the improvements at the property located at 226 State Street, which amends to existing lease to include an additional private improvement discovered in the W. Johnson Street right-of-way, correct the location of the existing underground vault, and adjust the annual rent accordingly. (4th A.D.)

Body

WHEREAS, on February 26, 2008, the City of Madison Common Council adopted Resolution No. RES-08-00198, File ID No. 09007, which authorized the execution of a 50-year subterranean and air space lease ("Lease") between Arist Christ ("Lessee") and the City of Madison ("City") to accommodate an existing underground vault, building cornice, sign and lighting that encroach upon the State Street public right-of-way adjacent to the property located at 226 State Street; and

WHEREAS, the Lease was recorded on March 10, 2008 as Document No. 4406594 in the office of the Dane County Register of Deeds, which set forth annual rent obligations, including a five percent (5%) escalator

every five (5) year period.

WHEREAS, subsequent to the recording of the Lease, a fire escape was discovered that encroaches upon the W. Johnson Street right-of-way, as well as the discovery that the existing underground vault is located in the W. Johnson Street right-of-way, rather than the State Street right-of-way; and

WHEREAS, the City and the Lessee desire to amend the Lease to correct the location of the underground vault, include the fire escape encroachment, and recalculate the annual rent to include the additional encroachment area.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to execute a First Amendment to Lease with Constantine and Tom Christ, successors-in-interest to the Lessee, subject to the terms and conditions contained in attached Exhibit A.

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