



Legislation Details (With Text)

**File #:** 61874      **Version:** 1      **Name:** 8987 Third Lease Amendment  
**Type:** Resolution      **Status:** Passed  
**File created:** 8/21/2020      **In control:** Economic Development Division  
**On agenda:** 9/15/2020      **Final action:** 9/15/2020  
**Enactment date:** 9/21/2020      **Enactment #:** RES-20-00661

**Title:** Authorizing the execution of a Third Amendment to the Lease with Joella Enterprises, LLC allowing for the City's continued use of space at 29 Marsh Court for the operation of the Madison Police Department evidentiary facility. (16th A.D.)

**Sponsors:** Michael J. Tierney

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
9/15/2020	1	COMMON COUNCIL	Adopt	Pass
9/8/2020	1	FINANCE COMMITTEE	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
9/1/2020	1	COMMON COUNCIL	Refer	Pass
8/21/2020	1	Economic Development Division	Referred for Introduction	

**Fiscal Note**

The proposed resolution authorizes extending the lease for continued use of space at 29 Marsh Court by the Madison Police Department from January 1, 2022 to December 31, 2025. Annual rent payments for the space are already included in MPD's 2020 Adopted Operating Budget (\$72,100) and 2021 Operating Request (\$73,500). No additional City appropriation will be required with the authorization of this third lease amendment.

**Title**

Authorizing the execution of a Third Amendment to the Lease with Joella Enterprises, LLC allowing for the City's continued use of space at 29 Marsh Court for the operation of the Madison Police Department evidentiary facility. (16th A.D.)

**Body**

WHEREAS, the Lessor and the City are parties to a certain Lease (the "Lease") pertaining to the Building and the Land, dated December 30, 2008, which Lease was recorded with the Dane County Register of Deeds on January 12, 2009 as Document No. 4492668; and

WHEREAS, the initial term of the Lease was for the four-year period commencing on January 1, 2009; and

WHEREAS, in accordance with Paragraph 7 of the Lease, the City exercised its one year renewal option, and the term of the Lease was extended to December 31, 2013; and

WHEREAS, the Common Council authorized the execution of a First Amendment to Lease (Resolution ID 31331) which was executed on November 25, 2013 and recorded with the Dane County Register of Deeds on November 27, 2013 as Document No. 5040527, which extended the term of the Lease for an additional period of three (3) years to December 31, 2016 and gave the City the option to renew the Lease for two (2)

successive terms of one (1) year each; and

WHEREAS, the Common Council authorized the execution of a Second Amendment to Lease (Resolution ID 39189) which was executed on July 1, 2015 and recorded with the Dane County Register of Deeds on August 5, 2015 as Document No. 5174404 that allowed the extension the term of the Lease until December 31, 2017 and gave the City the option to renew the Lease for four (4) successive terms of one (1) year each until December 31, 2021, which is the current Extended Term; and

WHEREAS, the parties agreed to amend the Lease to provide four (4) extension options of one (1) year each to extend the term of the Lease.

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Madison hereby authorizes the execution of a "Third Lease Amendment" to Lease with Joella Enterprises, LLC a Wisconsin limited liability company (the "Lessor"), amending the existing lease executed between parties on December 30, 2008, as amended and assigned (the "Lease"), on the following terms and conditions:

- 1) Paragraph 7 of the Lease is amended to provide that if, at the end of the Extended Term, the City is not in default under the Lease, the City shall have four (4) successive options to extend the Lease for additional terms of one (1) year each, under the same terms and conditions in the Lease, except that Base Rent during the renewal periods shall be as set forth in the table below, payable as provided in Paragraph 3. If the City desires to renew the Lease, the City must give notice in writing to the Lessor a minimum of one hundred fifty (150) days prior to the expiration of the Extended Term or any renewal term, by providing notice per Paragraph 22.

Year Period	Monthly Base Rent	Annual Base Rent
1/1/2022 - 12/31/2022	\$6,248.83	\$74,985.99
1/1/2023 - 12/31/2023	\$6,373.81	\$76,485.71
1/1/2024 - 12/31/2024	\$6,501.29	\$78,015.43
1/1/2025 - 12/31/2025	\$6,631.31	\$79,575.74

- 2) The first sentence of Paragraph 22 is deleted and replaced with the following language:

All notices to be given under the terms of this Lease shall be in writing, dated, and signed by the person sending the notice, and shall be sent by electronic mail, registered or certified mail, return receipt requested and postage prepaid, to the address of the parties specified below. If electing to use electronic mail, said emails shall be sent to the email addresses provided below with an active read receipt and shall include a statement that the electronic mail constitutes notice under the terms of this Lease. All time periods with respect to notice shall commence on the date that electronic notice is sent or the date upon which the certified mail notice is mailed plus three days thereafter.

- 3) All other terms and conditions of the Lease shall remain in full force and effect.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are hereby authorized to execute and record the Third Lease Amendment any and all additional documents that may be required to carry out the intent of this resolution in a form to be approved by the City Attorney.