



Legislation Text

File #: 20660, Version: 1

Fiscal Note

This amendment to the lease requires the City to pay initial base annual rent of \$9.62 per square foot, or \$107,705.27, plus all utility costs and the City's prorata share of common area maintenance expenses and real estate taxes. Base annual rent is subject to a 2% increase every year. Funding for 2011 is provided in the adopted Library Budget. Funding beyond 2011 will be included in future operating budgets, subject to Council approval.

Title

Authorizing the Mayor and City Clerk to execute an amendment to the lease with Madeline J. Rice allowing for the City's continued use of space at 204 Cottage Grove Road for the operation of the Pinney Branch Library.

Body

WHEREAS, Madeline J. Rice (the "Lessor") and the City of Madison, as the lessee, are parties to a lease dated September 22, 1995, pertaining to the City's use of 11,200 square feet of space within the building located at 204 Cottage Grove Road for the operation of the Pinney Branch Library; and

WHEREAS, the term of the Lease is scheduled to expire on December 31, 2010; and

WHEREAS, the Lessor has proposed a three-year extension of the lease, with five (5) options to renew thereafter for periods of one (1) year each; and

WHEREAS, Office of Real Estate Services and Library staff have reviewed and approve of the terms proposed by the Lessor for an extension of the Lease.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to execute an amendment to lease with Madeline J. Rice, amending the existing lease dated September 22, 1995 (the "Lease") as follows:

- 1) The term of the Lease shall be extended for a period of three (3) years, commencing on January 1, 2011 and expiring on December 31, 2013 (the "Extended Term").
- 2) The City shall have five (5) options to renew the Lease term for period of one (1) year each.
- 3) The rent schedule during the Extended Term shall be as follows:

<u>Period</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
1/1/2011-12/31/2011	\$107,705.27	\$8,975.44
1/1/2012-12/31/2012	109,859.38	9,154.95
1/1/2013-12/31/2013	112,056.56	9,338.05

- 4) The rent schedule during the renewal terms following the Extended Term shall be as follows:

<u>Period</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
1/1/2014-12/31/2014	\$114,297.69	\$9,524.81

1/1/2015-12/31/2015	116,583.65	9,715.30
1/1/2016-12/31/2016	118,915.32	9,909.61
1/1/2017-12/31/2017	121,293.63	10,107.80
1/1/2018-12/31/2018	123,719.50	10,309.96

5) In accordance with the terms of the Lease, the City shall continue to pay its prorata share of real estate taxes and common area maintenance charges. The City shall also continue to pay all charges for water, gas, heat, electricity, sewer and any other utility used upon or furnished to the leased premises.

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