

Legislation Text

File #: 24618, **Version:** 1

Fiscal Note

Rent payable during the first year of the Extended Term shall be \$58,313.20 (\$15.95 per sq. ft.) and will be subject thereafter to annual CPI adjustments, not to exceed 3% in any given year. Funds are available in the 2012 Public Health Operating Budget.

Title

Authorizing the Board of Health for Madison and Dane County on behalf of Public Health - Madison and Dane County to execute an amendment to the lease with International Properties LLP for office space located at 2701 International Lane.

Body

WHEREAS, International Properties LLP (the "Lessor") and the Board of Health for Madison and Dane County on behalf of Public Health - Madison and Dane County ("PHMDC"), as the lessee, are parties to a lease dated December 2, 2008 (the "Lease") for approximately 3,656 square feet of office space at 2701 International Lane; and

WHEREAS, the term of the Lease is scheduled to expire on December 31, 2011, and there are no remaining renewal options; and

WHEREAS, PHMDC desires to continue to lease such office space for an additional two (2)-year period; and

WHEREAS, the City's Office of Real Estate Services has negotiated the terms of an amendment to the Lease providing for a two (2)-year extension with renewal options; and

WHEREAS, PHMDC staff have reviewed and approve of the terms of the amendment.

NOW, THEREFORE, BE IT RESOLVED that the Board of Health for Madison and Dane County on behalf of Public Health - Madison and Dane County (the "Lessee") is authorized to enter into an amendment to the lease dated December 2, 2008 (the "Lease") with International Properties LLP (the "Lessor"), on the following terms and conditions:

1. The term of the Lease shall be extended for the two (2)-year period commencing on January 1, 2012 and expiring on December 31, 2013 (the "Extended Term").
2. At the end of the Extended Term, provided the Lessee is not in default under the Lease, the Lessee shall have five (5) 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 rent during the renewal terms shall be as set forth in Paragraph 3 below.
3. Rent payable during the first year of the Extended Term (i.e., 1/1/2012 - 12/31/2012) shall be at the annual rate of \$15.95 per square foot, payable in equal monthly installments of \$4,859.43. Effective January 1, 2013 and continuing throughout any renewal periods, rent shall be determined by multiplying the prior year's rent by the percentage of change in the Consumer Price Index for All Urban Consumers, All Items, U.S. City Average (1982-84 = 100) published by the Bureau of Labor Statistics of the U.S. Department of Labor, or any successor or substitute index appropriately adjusted ("CPI") during such prior year, using annual averages. Notwithstanding the foregoing, such annual rent increases shall not exceed three percent (3%) in any given year.

BE IT FURTHER RESOLVED that all other terms and conditions of the Lease shall remain unchanged and in full force and effect.

BE IT FURTHER RESOLVED that the Director of Public Health - Madison and Dane County is authorized to sign the lease amendment on behalf of the Lessee and is authorized to execute any and all additional documents that may be required to complete this transaction, subject to review of those documents by the City Attorney and Corporation Counsel.