



Legislation Text

File #: 16671, **Version:** 1

Fiscal Note

The City (by RES-09-00933) authorized the provision of up to \$71,850 in CDBG funds to the Madison Metropolitan School District (MMSD) for the continued operation of the Meadowood Neighborhood Center during calendar year 2010. The City shall assume payment of the annual base rent of \$30,188 (\$9.62 per sq. ft.) and its prorata share of real estate taxes and common area charges estimated to be \$10,073 per year (\$3.21 per sq. ft.), for a total of \$40,261. MMSD will reimburse the City for such rent charges. While the City as leaseholder is responsible for utility expenses, MMSD will pay utility charges directly.

Title

Authorizing the Mayor and City Clerk to execute a lease with MLG Capital/Meadowood LLC for space within the Meadowood Plaza located at 5734 Raymond Road for the continued operation of the Meadowood Neighborhood Center.

Body

WHEREAS, since March 2009 the Madison Metropolitan School District, through Madison School & Community Recreation ("MSCR"), has been providing social, recreational and educational opportunities to residents of the Meadowood Neighborhood in space within the Meadowood Plaza located at 5734 Raymond Road (the "Meadowood Neighborhood Center"); and

WHEREAS, operation of the Meadowood Neighborhood Center was a pilot project in 2009, funded in part with Emerging Neighborhood Funds from the City of Madison; and

WHEREAS, the services provided at the Meadowood Neighborhood Center have been well received and used by people of all ages in the neighborhood; and

WHEREAS, MSCR's lease of space for the Meadowood Neighborhood Center is scheduled to expire on December 31, 2009; and

WHEREAS, MSCR desires to continue to operate the Meadowood Neighborhood Center; however, MSCR no longer desires to be the lease holder and has requested that the City hold the lease instead; and

WHEREAS, Resolution File ID 16313, adopted by the Common Council on November 17, 2009, authorizes the provision of up to \$71,850 in CDBG funds to the Madison Metropolitan School District for the continued operation of the Meadowood Neighborhood Center during calendar year 2010; and

WHEREAS, the City's Office of Real Estate Services has negotiated the terms of a lease between the City of Madison and the landlord, MLG Capital/Meadowood LLC, for the continued use of space within the Meadowood Plaza for the Meadowood Neighborhood Center.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Clerk are authorized to execute a lease with MLG Capital/Meadowood LLC (the "Landlord") for space within the Meadowood Plaza located at 5734 Raymond Road, consisting of approximately 3,138 square feet (the "Leased Premises"), for the continued operation of the Meadowood Neighborhood Center, subject to the following terms and conditions:

1. The "Leased Premises" shall consist of approximately 3,138 square feet within the Meadowood Plaza, (the "Shopping Center") located at 5734 Raymond Road, Madison, Wisconsin. The Leased Premises are depicted on the site plan attached as Exhibit A.
2. The Lease shall be for an initial term (the "Initial Term") of one (1) year, commencing on January 1, 2010

(the "Effective Date") and expiring on December 31, 2010, unless sooner terminated as provided therein.

3. The City shall have three (3) options to renew the Lease term for periods of one (1) year each (the "Renewal Terms") upon terms and conditions agreeable to the Landlord and the City. If the City desires to renew this Lease, the City must give notice in writing to the Landlord a minimum of thirty (30) days prior to the expiration of the Initial Term or any Renewal Term. The City's election(s) to renew shall be determined based on availability of funding for the operation of the Meadowood Neighborhood Center.
4. The City's use of the Leased Premises shall be limited to the operation of a neighborhood center and all activities related thereto (which may include senior activities, after-school activities for youths, dance and exercise classes, educational workshops and classes, and neighborhood meetings) and for no other purposes without the prior written consent of the Landlord, which consent shall not be unreasonably withheld.
5. The City shall pay to the Landlord "Base Rent" as detailed below, plus the City's prorata share of real estate taxes and common area maintenance charges.

Base Rent Schedule:			
Period	Lease Year	Annual Base Rent (per SF)	Total Annual Base Rent
Initial Term	1/1/2010 - 12/31/2010	\$9.62	\$30,187.56
1 st Renewal Term	1/1/2011 - 12/31/2011	9.91	31,295.78
2 nd Renewal Term	1/1/2012 - 12/31/2012	10.21	32,038.98
3 rd Renewal Term	1/1/2013 - 12/31/2013	10.51	32,980.38

6. The City shall be solely responsible for and promptly pay all charges for water, gas, heat, electricity, sewer, telephone and any other utility used upon or furnished to the Leased Premises. The City shall also be responsible for all costs associated with telephone and data/computer installations and services.
7. The Landlord shall maintain throughout the term of the Lease the following insurance coverages: A policy of comprehensive fire, extended coverage, vandalism, malicious mischief and other endorsements deemed advisable by the Landlord insuring the Shopping Center, including the Leased Premises and all appurtenances thereto (excluding the City's inventory, trade fixtures, furniture, furnishings, equipment and personal property) for the full insurable replacement value thereof, with such a deductible not to exceed \$5,000. The City shall be solely responsible for carrying personal property insurance sufficient to cover the loss or damage to the City's personal property.

Additionally, the Landlord shall carry commercial general liability insurance in the amount of \$1,000,000 in the aggregate. Such coverage may contain larger retentions.