



Legislation Text

File #: 02558, **Version:** 2

Fiscal Note

This amendment to the lease requires the City to pay initial base annual rent of \$8.55 per square foot, or \$50,791.08, 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 3% increase every year. Funding for 2006 is provided in the approved Library Budget. Funding beyond 2006 will be included in future operating budgets, subject to Council approval.

Title

SUBSTITUTE - Authorizing the execution of an amendment to the lease with MLG Capital/Meadowood LLC allowing for the City's continued use of space at 5740 Raymond Road for the operation of the Meadowridge Branch Library. 20th Ald. Dist.

Body

WHEREAS, MLG Capital/Meadowood LLC, successor-in-interest to Midland Realty Inc., as the lessor, and the City of Madison, as the lessee, are parties to a lease dated July 1, 2001, pertaining to the City's use of 5,940 square feet of space within the Meadowridge Shopping Center, located at 5740 Raymond Road, for the operation of the Meadowridge Branch Library; and

WHEREAS, the term of the Lease is scheduled to expire on June 30, 2006; and

WHEREAS, the lessor has proposed a three-year extension of the lease, with an option to renew thereafter for another three-year period; and

WHEREAS, the Library Board and Real Estate Section 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 MLG Capital/Meadowood LLC, amending the existing lease dated July 1, 2001 (the "Lease") as follows:

- 1) The term of the Lease shall be extended for a period of three (3) years, commencing on July 1, 2006 and expiring on June 30, 2009 (the "Extended Term").
- 2) ~~The City shall have one (1) option to renew the Lease term for a period of three (3) years.~~
- 3) "Base Rent" payable during the Extended Term shall be as follows:

Year Period	Monthly Base Rent	Annual Base Rent	Base Rent per SF
7/1/2006 - 6/30/2007	\$4,232.59	\$50,791.08	\$8.55
7/1/2007 - 6/30/2008	4,359.57	52,314.84	8.81
7/1/2008 - 6/30/2009	4,490.35	53,884.20	9.07

- 4) In accordance with the terms of the Lease, the City shall continue to pay as "Additional Rent" 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.
- 5) The City shall no longer be required to pay the \$250 monthly carpeting fee described in Paragraph 4.d. of the Lease.
- 6) All other terms and conditions of the Lease which are not inconsistent with the amended terms set forth above shall remain in full force and effect.

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.