Legislation Details (With Text)

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Type:	Resolution			**Status:**	Filed
File created:	2/22/2011			**In control:**	COMMON COUNCIL
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Title: Authorizing the execution of a lease at 316 West Washington Avenue for the temporary relocation of the City of Madison's Central Public Library.

Sponsors: Michael E. Verveer

Indexes:

Code sections:

Attachments: 1. 9401 Library.pdf

Date	Ver.	Action By	Action	Result
3/29/2011	1	COMMON COUNCIL	Place On File Without Prejudice	Pass
3/15/2011	1	COMMON COUNCIL	Refer to a future Meeting to Adopt	Pass
3/7/2011	1	BOARD OF ESTIMATES (ended 4/2017)	RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER	Pass
3/3/2011	1	MADISON PUBLIC LIBRARY BOARD	Return to Lead with the Recommendation for Approval	Pass
3/1/2011	1	BOARD OF ESTIMATES (ended 4/2017)	Refer	
3/1/2011	1	COMMON COUNCIL	Referred	
2/23/2011	1	Economic Development Division	Referred for Introduction	

Fiscal Note

This lease requires prepayment of the entire initial lease term of $400,960 (20 months at $20,048). The Library's 2011 Adopted Operating Budget includes sufficient funding for the 2011 portion of this lease. The balance will be paid by the Library Fund as a prepaid expense, and the applicable portions will be charged in 2012 and 2013.

Title

Authorizing the execution of a lease at 316 West Washington Avenue for the temporary relocation of the City of Madison's Central Public Library.

Body

The scheduled remodel/renovation of the City's Central Library necessitates the temporary relocation of Central Library services and functions. Space located at 316 West Washington Avenue has been identified by staff as suitable for lease to provide for the temporary relocation of public library retail and administrative functions, collection storage and distribution, and library system maintenance activities. Terms of a lease have been negotiated with the property owners (the "Lessor") that will allow the Central Library services to continue at this location during the remodel/renovation of the Central Public Library.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to execute a lease (the "Lease") with Badger 316 LLC (the "Lessor"), or its assigns, for space within a building located at 316 West Washington Avenue (the "Building") (as shown on the attached Exhibit) for the temporary relocation of the Central Public Library services and functions during the remodel/renovation of the Central Public Library,

subject to the following terms and conditions:

1. The initial term of the lease (the “Initial Lease Term”) shall be twenty (20) months commencing on the date that the City takes possession of the Premises which shall occur no earlier than July 1, 2011 and no later than September 1, 2011 (the “Lease Commencement Date”).

2. At the end of the Initial Lease Term, the term of the Lease shall automatically continue on a month to month basis until the City provides the Lessor with a sixty (60) day written notice of its election to terminate the Lease. The Lessor may terminate the Lease any time after the twenty-fourth (24) month by providing the City at least ninety (90) days prior written notice.

3. The space located at 316 West Washington Avenue (the “Leased Premises”) shall consist of the following: approximately 6,042 square feet of public retail space on Floor 1 West; approximately 30,700 square feet of book storage and administrative staff space on Floor 6 and Floor 7; and approximately 2,000 square feet of maintenance space in Basement South, for a total of approximately 38,711 square feet, and eight (8) underground parking stalls reserved exclusively for City use.

4. The Leased Premises shall be used for the temporary relocation of the City’s Central Public Library, including but not limited to by enumeration, public library retail and administrative functions, collection storage and distribution, and library system maintenance activities.

5. The Lessor, at its sole cost, shall provide the improvements to the Building (the “Building Improvement”) that have been agreed to by the parties.

6. The Annual Gross Rent shall be $240,576.00 ($20,048.00 per month/$6.21 per square foot) and shall include all costs and expenses related to the Leased Premises and the Building (other than janitorial and telephone/date/computer installation and service costs within the Leased Premises which shall be the responsibility of the City) which shall include without limitation due to enumeration, all real estate taxes, assessments, all utility connections maintenance and use costs including without limitation due to enumeration all electrical, heating, sewer and cooling costs, fire and extended coverage insurance premiums, janitorial costs in common areas, refuse and recycled material removal, snow removal, Building repair and maintenance costs including those related to base Building systems (fire alarm sprinkler and electrical systems); HVAC expenses (including all utility and maintenance costs); management and administrative costs and fees, and eight (8) underground parking stalls.

7. The City’s obligation to pay rent shall commence on the Lease Commencement Date. Notwithstanding the foregoing, the City agrees to pre-pay its rent obligation for the entire Initial Lease Term, or $400,960.00 (the “Prepaid Rent”), pursuant to the Rental Escrow terms and schedule as described below.

8. Upon execution of the Lease, which shall occur no later than March 31, 2011, unless another date is agreed to by the parties, the City agrees to deposit the Prepaid Rent into an escrow account with a title company, agreed to by the parties, to be used by the Lessor for the Building Improvements. The terms and conditions of the Rental Escrow will be established in an escrow agreement (the “Escrow Agreement”) subject to the approval of the parties. The title company shall be responsible to administer all draws based upon the draw schedule in the Escrow Agreement and shall require the appropriate lien waivers prior to disbursement of fund. Notwithstanding the draw schedule, no draw shall be deemed authorized until (1) the City has received copies of all actual bills for the completed improvements related to such draw, and (2) the City Architect has formally approved the completed work related to that draw. Any monies remaining in the Rental Escrow upon completion of the Improvement Work shall be disbursed to the Lessor and applied toward the City’s rent.

9. Beginning on the Lease Commencement Date, the Lessor shall maintain, at its sole cost, throughout the

Initial Lease Term and any extension thereof, insurance coverage of the type(s) and in the amount(s) of coverage required by the City's Risk Manager. The policy or policies shall name the City as an additional insured.

The City shall maintain, at its sole cost, throughout the Initial Lease Term and any extension thereof personal property insurance in an amount to cover any and all loss or damage to the City's personal property located within the Leased Premises.

10. Upon eviction or termination of the Lease, the City shall remove all personal property from the Leased Premises, and the Lessor shall own all improvements made to the Leased Premises by either the Lessor or the City.

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

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