



## Legislation Text

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**File #:** 28316, **Version:** 1

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### Fiscal Note

This lease requires the City to pay a monthly rent of \$20,525 plus any cost associated with data and phone services. Annual costs are expected to total \$246,300 in 2013 and \$251,226 in 2014. The 2013 adopted capital budget provides funding from the Fire Administration / Fire Station #1 capital project to pay for these temporary lease costs. Estimated moving costs of \$12,000 will be addressed in the 2012 year-end appropriation resolution. Moving costs are expected to also be incurred in 2014 when the Fire Administration functions move from temporary space into the condominium space in the new development on W. Johnson Street.

### Title

Authorizing the execution of a lease at 30 West Mifflin Street for the temporary relocation of administrative space for the City of Madison's Fire Department.

### Body

The construction of a new facility at 316 W. Dayton Street necessitates the temporary relocation of administrative space for the City of Madison's Fire Department. Office space located at 30 West Mifflin Street has been identified by staff as suitable replacement space. Terms of a lease have been negotiated with the property owner that will allow temporary fire administration services to continue during the estimated relocation phase of approximately 24 months.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to execute a lease (the "Lease") with Madison Real Estate Properties and Madison East Shopping Center Partners or assigns ("Owner"), subject to the following terms and conditions:

1. The initial term of the lease (the "Lease Term") shall be twenty four (24) months commencing on January 1, 2013 and ending on December 31, 2015.
2. At the end of the initial Lease Term, the City may extend the term of the Lease for two (2) additional three (3) months extensions with a 90 day written notice prior to the expiration of the lease term or expiration of the extended term.
3. The leased premises shall be floors 8 and 9 located at 30 West Mifflin street consisting of a total of 15,800 gross square feet and 13,000 net square feet (the "Leased Premises").
4. Owner, at its cost, will provide improvements to the Leased Premises that are acceptable to the City of Madison's fire department staff as outlined in an agreed to letter of intent.
5. The monthly rent shall be \$20,525.00 per month and shall include all expenses related to the Leased Premises including utilities janitorial, real estate taxes, assessments, extended coverage insurance premiums, refuse and recycled material removal, snow removal, building repair and maintenance costs including those related to base building systems (i.e., fire alarm and electrical systems); HVAC expenses (including all utility and maintenance costs); and management administrative fees.
6. Upon the anniversary date of each successive lease year the monthly rent shall increase by 2%.
7. The Owner shall maintain throughout the Lease Term and any renewal, insurance coverage of the

proper type and amount of coverage as approved by the City's Risk Manager

8. Upon expiration or termination of the Lease, the City shall remove all personal property from the Leased Premises, and the Owner shall own all improvements, if any, made to the Leased Premises by the Owner and the City.

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