



Legislation Text

File #: 36177, **Version:** 1

Fiscal Note

Funding for the lease expense of \$64,400 annually is included as part of the adopted budget for the Fire Administration and Station No. 1 Remodel Capital Project No. 810745. No additional appropriation is required.

Title

Authorizing the execution of a lease with Madison Gas and Electric Company for space located at 650 E. Main Street for use as the temporary relocation of Madison Fire Department Station No. 1.

Body

This resolution authorizes a lease with MG&E for the temporary relocation of Madison Fire Station No. 1 to accommodate the rehab of the station and the build out of the condominium that will replace the administrative office space formerly located at 305-309 West Johnson Street.

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Madison hereby authorizes the execution of a lease (the "Lease") with Madison Gas and Electric ("MG&E") for space in a building located at 650 E. Main Street (the "Building") for use as a temporary location for Madison Fire Station No. 1.

1. Initial Lease Term and Extension: Initial twelve (12) month lease term (the "Initial Lease Term") commencing on January 1, 2015 (the "Lease Commencement Date") or upon MG&E receipt of a certificate of occupancy or any other permits for City occupancy and ending on December 31, 2015, unless extended by the City as set forth below. At the end of the Initial Lease Term, provided the City is not in default under the terms and conditions of the Lease, the City may extend the term of the lease for up to two (2) additional months by providing written notice to MG&E at least ninety (90) days prior to expiration of the Initial Lease Term. If the City provides such notice, the Lease shall be extended upon the same terms and conditions as during the Initial Lease Term except that there will be no rent payments during the extended period.

2. Leased Premises: MG&E to provide the City use of the areas depicted in Exhibit A (the "Leased Premises") consisting of approximately 3,176 square feet including common areas located in the Building.

3. Common Areas: MG&E grants to the City and the City's employees, agents, customers, invitees, vendors, licensees, and contractors, the right to use, in common with all others to whom MG&E has or may hereafter grant rights to use the same Common Areas on the Property on which the Building is located. The term "Common Areas" shall mean the parking lot area, sidewalks, driveways, and other areas or improvements provided by MG&E for common use of the occupants of the Building. MG&E shall be responsible for cleaning, maintaining and repairing the Common Areas as MG&E deems appropriate.

4. Landlord Work: MG&E agrees to perform certain improvement work (the "Landlord Work") to the Building, as described in Exhibit B attached hereto and made a part hereof. MG&E shall perform the Landlord Work at MG&E's sole cost and expense estimated at \$63,200. If the total cost of the Landlord Work is less than \$63,200, MG&E agrees to adjust the final rent payment accordingly. Such Landlord Work shall be substantially complete on or before January 1, 2015.

5. Use of Premises: The Leased Premises shall be used for the temporary relocation of administration and crew activities related to Madison Fire Station No.1.

6. Access: MG &E agrees to provide reasonable access to the City prior to the Lease Commencement Date for purposes of facilitating the City's space planning, coordinating the City's plans with the Landlord

Work, and preparing to move the City's inventory, fixtures, furniture and equipment, including without limitation, placement of electrical and data outlets.

7. Annual Gross Rent: The "Annual Gross Rent" shall be \$ 64,400. The initial payment shall be \$32,200 and due on the lease commencement date. The balance payment of \$32,200 shall be due on March 1, 2015. The Annual Gross Rent shall include all costs and expenses related to the Leased Premises and the Building, which shall include, without limitation due to enumeration, all real estate taxes, assessments; all utility connections, maintenance and use costs including without limitation all electrical, heating, water, sewer and cooling costs, fire and 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, sprinkler and electrical systems); HVAC expenses (including all utility and maintenance costs); and management and administration fees.

8. Rent Commencement: The City's obligation to pay rent shall commence on the Lease Commencement Date.

9. City Expenses: The City shall be responsible only for the following costs and expenses associated with the Leased Premises: (1) janitorial service, (2) telephone and data/computer installations and services within the Leased Premises, and 3) any other services required by the City and not otherwise set forth in the Lease.

10. Insurance: MG&E shall provide evidence of insurance coverage acceptable to the City's Risk Manager.

11. Signage: The City may install temporary signage as State and City ordinances will allow with MG&E's consent, which shall not be unreasonably withheld, conditioned or delayed.

12. Parking: MG&E agrees to provide the City four parking stalls within one block of the Building for City staff at no additional cost or expense to the City. The four stalls will be available 24 hours per day/seven days a week. Additionally MG&E will provide four additional stalls ;within one block of the Building during the hours of 6:30 am and 7:30 am to accommodate the transition of evening to daytime employee shifts.

13. Hours of Operation: The City's public hours of operation for the Fire Department shall be 24 hours per day/seven days a week.

14. Losses, Claims and Responsibilities: Each party shall be responsible for its own acts, errors or omissions and for the acts, errors or omissions of its employees, officers, officials, agents, boards, committees and commissions, and shall be responsible for any losses, claims, and liabilities that are attributable to such acts, errors, or omissions.

15. Maintenance and Repairs: the City shall keep and maintain the interior of the Leased Premises in good order and condition. The City shall be responsible for cleaning the Leased Premises and maintenance and repair of any personal property installed within the Leased Premises. MG&E shall be responsible for washing all windows. MG&E shall keep the foundations; roof; sewer system; concrete floors, elevators, structural portions of the walls; plate glass windows and all other structural members, both interior and exterior, of the Building, in good order, condition and repair, and shall make any repairs/replacements and do such painting of the Building exterior as may be required. The term "repair" shall include replacements when necessary and all such repairs shall be equal in quality and class to the original work. Notwithstanding the foregoing, the City shall be responsible for the cost and expenses of repairs/replacements required by reason of acts or omissions of the City, its employees, or its agents.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized to execute, deliver and record such documents and to take such other actions as shall be necessary or desirable to accomplish the purposes

of this resolution.