



Legislation Text

File #: 38879, Version: 2

Fiscal Note

Funding for the lease payments is included in the Water Utility's 2015 Capital Budget, Project #10, Paterson St. Building Remodel/Upgrade. Any additional operating expenses are expected to be normal and minimal and will be funded through the Water Utility's operating budget. No appropriation is required.

Title

SUBSTITUTE Authorizing the execution of a Lease between between the City of Madison and ~~Brad Binkowski~~ Nob Hill Investments LLC for space within a building located at 73 West Beltline Highway for the temporary location of the Water Utility's vehicle maintenance operations and facilities.

Body

The Water Utility's Operations Center located at 110 South Paterson Street is scheduled to be rebuilt beginning in September 2015 with completion in late 2016. During the construction period the Utility's vehicle maintenance operations and facilities will need to be temporarily relocated. Terms and conditions for a lease for space within a building located at 73 West Beltline Highway, Town of Madison, WI (the former Holmes Tire building) have been negotiated between the City and the owner ~~Brad Binkowski~~ Nob Hill Investments LLC.

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Madison hereby authorizes the execution of a Lease between the City of Madison (the "City") and ~~Brad Binkowski~~ Nob Hill Investments LLC (the "Lessor"), or assigns, for the lease of space within a building (the "Building") located at 73 West Beltline Highway, Town of Madison, Wisconsin (the "Property"), as legally described below, for the temporary relocation the Water Utility's vehicle maintenance operations and facilities, on the following terms and conditions:

1. Leased Premises: The "Leased Premises" consists of two (2) sections within the Building: the Front Section (6,7290 square feet), and the Middle Section (6,240 square feet) for a total of approximately 12,960 square feet, as shown on the attached Exhibit A.
2. Lease Term: The "Lease Term" shall be fifteen (15) months commencing on August 1, 2015 (the "Lease Commencement Date") and ending on October 31, 2016 (the "Lease Expiration Date").
3. Rent: The monthly rent for the Leased Premises shall be Three Thousand Four Hundred Dollars (\$3,400) per month (\$40,800 annual rent). The City's obligation to pay the rent shall commence on the Lease Commencement Date.
4. Condition of Building or Leased Premises. Except as otherwise specifically set forth in the Lease, the City acknowledges and agrees that:
 - a. neither the Lessor nor any agent of the Lessor has made any representation or warranty regarding the condition of the Building or the Leased Premises with respect to the suitability of any of the foregoing for the City's use of the Building or the Leased Premises,
 - b. the Lessor has no obligation and has made no promises to alter, remodel, improve, renovate or repair the Building or the Leased Premises, or any parts thereof, and
 - c. The City shall accept the Building and the Leased Premises in "AS IS" condition as of the Lease

Commencement Date.

5. Lessor Expenses: The monthly rent will include, and the Lessor shall be responsible for, the following costs associated with the Leased Premises:

- a. Real estate taxes and assessments.
- b. Fire and extended insurance coverage.
- c. Maintenance and repair of the foundations, roofs, window, doors, sewer systems, floors and structural portions of the walls and other structural members (both interior and external).
- d. Ownership costs (debt service, accounting, reserves, etc.)
- e. Management and administration fees and costs.

6. City Expenses: The City shall be responsible for the following costs associated with the Leased Premises:

- a. Utilities (gas, electric, water, sewer, storm water charges, telephone and tele/-data installation and services).
- b. Cleaning and janitorial service.
- c. Refuse and recycle material removal.
- d. Snow removal.
- e. Lawn and grounds maintenance.
- f. Repair and maintenance costs of improvements located within the Leased Premises including those related to the building systems (fire alarm, sprinkler, HVAC, hoists, electrical and plumbing systems).

7. Use of Leased Premises: The Leased Premises shall be used by the City for the temporary relocation of the Water Utility's vehicle maintenance operations and facilities including vehicle and parts storage and other related uses as allowed under existing zoning.

8. Delivery of Leased Premises: The Lessor shall deliver the Leased Premises in "broom clean" condition with all personal property removed.

9. Parking: The City shall have access and exclusive rights to the parking spaces between the Front Section and the South Beltline Frontage Road and along the west side of the Front and Middle Sections.

10. Access: The Lessor shall agree to provide access to the Leased Premises to the City prior to the Lease Commencement Date for the purposes of facilitating the move of staff, fixtures, furniture and equipment, including without limitation (at the City's cost) placement of electrical and tele-data outlets.

11. Signage: The City may install temporary signage on the Building as Town of Madison ordinances will allow with the Lessor's consent, which shall not be unreasonably withheld, conditioned or delayed. Upon expiration of the Lease Term the City shall remove any signs installed on the Building and return such space to the condition it was prior to the installation of such signage.

12. Insurance: Beginning on the Lease Commencement Date and continuing throughout the term of the Lease, the Lessor shall maintain the following insurance coverages: a policy of comprehensive fire, extended coverage, vandalism, malicious mischief and other endorsements deemed advisable by the Lessor insuring 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 \$10,000. Additionally, the Lessor shall carry commercial general liability insurance, including contractual liability, with no less than the following limits of liability as may be amended from time to time by the City's Risk Manager: bodily injury, death, personal injury, and property damage of \$5,000,000 per occurrence. This limit can be achieved by the use of an umbrella liability policy. The policy or policies shall name the City as an additional insured. As evidence of these coverages, the Lessor shall furnish to the City a

certificate of insurance on a form approved by the City.

The City shall maintain, at its sole cost, throughout the Lease Term 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.

13. Losses, Claims and Liabilities: Each party shall be responsible 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 including providing its own defense, arising out of the Lease. In situations involving joint liability, each party shall only be responsible for such losses, claims, and liabilities that are attributable to its own acts, errors, or omissions and the acts, errors or omissions of its employees, officers, officials, agents, boards, committees and commissions. It is not the intent of either party to waive, limit or otherwise modify' the protections and limitations of liability found in Wis. Stat. 893.80 or any other protections available to the parties by law. This paragraph shall survive the termination or expiration of the Lease.

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.

Legal Description

The Property

032/0709-361-9050-4

A parcel of land located in the West ½ of the Northeast ½ of Section 36, Township 7 North, Range 9 East, Town of Madison, Dane County, Wisconsin, described as follows:

Commencing at the Southwest corner of the Northeast ¼ of said Section 36; thence North 1153.00 feet to Southeast right of way line of the South Madison Beltline Highway; thence North 65 degrees 50' East along said Southeast right of way line, 576.20 feet; thence South, 32.88 feet to the point of beginning on the Southeast right of way line of a Service Road described in Volume 367 of Miscellaneous, page 406, Document No. 1034695; thence North 65 degrees 50' East, along said right of way line 100.0 feet; thence South 390.27 feet; thence North 89 degrees 20' West, 91.38 feet; thence North 348.02 feet to the point of beginning.