



## Legislation Text

File #: 45893, Version: 1

### Fiscal Note

The proposed resolution authorizes the execution of the lease of space within The Village on Park to be used by Metro Transit for the temporary occupancy of Metro staff while renovations at their 1245 E. Washington are being completed. The annual cost of this lease agreement is estimated to be \$7,764; costs associated with the agreement will be absorbed within Metro's 2017 Adopted Operating Budget.

### Title

Authorizing the execution of a lease between the City of Madison and the Community Development Authority of the City of Madison for space within The Village on Park to be used by Metro Transit.

### Body

WHEREAS, the Community Development Authority of the City of Madison (the "CDA") is the owner of The Village on Park, located at 2300 South Park Street; and

WHEREAS, Metro Transit is expanding and renovating its space located at 1245 E. Washington Avenue (the "Metro Building"), which was approved by the Common Council on December 6, 2016 per resolution RES-16-00893.

WHEREAS, as part of the renovation and expansion of leased space, the in-house advertising and paratransit programs that are located in the east wing of the Metro Building will need to move out while work is being done on this space, and it is estimated that this work will commence April 1, 2017 and last for approximately six months; and

WHEREAS, the CDA and the City of Madison have negotiated the below terms and conditions to the lease which provides for temporary office space located in Suite 109 at The Village on Park while Metro Transit's space located at 1245 E. Washington is being renovated. The CDA Board will review the below terms on February 9, 2017.

NOW THEREFORE BE IT RESOLVED that the Mayor and City Clerk are hereby authorized to execute on behalf of the City a lease (the "Lease") with the CDA at the Village on Park on the following terms and conditions:

1. Leased Premises: 2300 South Park Street, Suite 109, consisting of approximately 647 square feet of rentable square feet.
2. Building: The Village on Park mall in its entirety.
3. Landlord: CDA ("Lessor")
4. Tenant: The City of Madison ("Lessee").
5. Use: Lessee shall be permitted to use the Leased Premises for general office purposes. The Lessee can use the CDA's three cubicle furniture as shown in the attached Exhibit A during its term defined below. At the end of the term, the furniture shall be returned in the same condition as it was

delivered.

6. Term: A six (6) month lease term commencing on April 1, 2017 ("Lease Commencement Date") and expiring on September 30, 2017 with three (3) one (1) month extension options that can be terminated by the Lessee with 30 days written notice ("Term"). The Lessee shall provide the CDA with 30 day written notice if it needs to exercise any of the monthly extension options, and shall vacate the Leased Premises before the 30<sup>th</sup> day from delivery date of the written notice of the termination of the monthly extension option.

Lessee can commence moving over its belongings into the Leased Premises commencing on March 13, 2017, but shall not occupy it until April 1, 2017.

7. Rental Rate: "Base Rent" shall be six hundred and forty seven dollars per month (\$647) during the Term. This Base Rent shall be pro-rated during the Term for any partial month period. The Base Rent is due and payable on the Lease Commencement Date and the first day of each calendar month during the Term.

Base rent as defined below shall be pro-rated for the number of days for any partial month during the Term.

8. Operating Expenses: The Lease shall be a gross lease. The CDA shall be responsible for paying prorated real estate taxes, common area maintenance charges, Building's insurance premiums and all utilities for the Leased Premises.

The Lessee shall be responsible for paying all telephone, internet and data charges, in-suite janitorial and any other services associated with the Leased Premises.

9. Repairs & Maintenance: The CDA shall be responsible for the maintenance and repair of the roof, exterior walls and foundation of the Building during the Term. The CDA shall also be responsible for the repairs, maintenance and replacement of the Leased Premise's HVAC unit, ceiling tile, light fixtures and light bulbs.

10. Tenant Improvements: Lessee accepts the space as-is. Lessee may install furniture, fixtures, and equipment in the Leased Premises with the CDA's written approval. Lessee shall also remove the approved tenant improvements and personal property upon expiration or termination 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 in a form to be approved by the City Attorney.