



Legislation Text

File #: O-404-18, Version: 1

Government Center Lease Amendment
Department of Neighborhood and Business Development/Department of Law
Bill Burkett (x1692), Paul F. Syring (x1025)
(Revised)

Authorizing the Mayor to enter into an amended lease agreement for municipal office space in One Government Center; authorizing the expenditure for rent payments pursuant to said amended lease; authorizing the Mayor to execute and deliver needed instruments to facilitate the State of Ohio's conveyance of One Government Center to the Toledo-Lucas County Port Authority; and declaring an emergency.

SUMMARY AND BACKGROUND:

Pursuant to the authority of Ordinance 215-17 the City of Toledo entered into a lease agreement with the State of Ohio, Department of Administrative Services for municipal office space in One Government Center. This current lease is for a five year term beginning July 1, 2016 and expiring, June 30, 2021. The State of Ohio Department of Administrative Services has now reached an agreement for the conveyance of One Government Center to the Toledo-Lucas County Port Authority. This conveyance is conditioned upon the assignment of the current lease, among other matters, the City entering into an amendment to the current lease as requested by the Toledo-Lucas County Port Authority. The amendment has an initial term of ten years commencing on January 1, 2019 and expiring on December 31, 2028. The amendment contains an option for the City to renew the lease for two successive and continuous terms of five years each. This rent will be constant for the first five years of the amended term at the existing rate of \$8.95 per square foot. The amended lease eliminates the City's option to terminate upon 90 days notice. In years six thru ten for the amended term the rental rate will increase 2% each year. A copy of the proposed amended lease in its substantial final form is attached as Exhibit A.

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That the Mayor is authorized to enter into an amended lease agreement for municipal office space in One Government Center for a ten year term commencing January 1, 2019 and expiring December 31, 2028 as set forth in the First Amendment to Lease, a copy of which in substantial final form is attached hereto as Exhibit A.

SECTION 2. That the Mayor is authorized to execute and deliver other needed instruments to facilitate the conveyance of One Government Center from the State of Ohio, Department of Administrative Services to the Toledo Lucas County Port Authority.

SECTION 3. That the rental rate for such space in One Government Center as set forth in the attached amended lease of \$1,602,783.90 is authorized for expenditure from Account Codes 1001-89800-1129001STDSTD (\$1,293,357.90), 7084-17500-1144001STDSTD (\$98,921) and 2015-16100-5G37000STDADM (\$210,505) Future year payments as set forth in the lease are authorized subject to any

necessary appropriation and availability of funds.

SECTION 4. That the Finance Director is authorized to draw his warrant or warrants against the account codes authorized in Section 3 in an amount not to exceed the amounts as specified in the amended lease.

SECTION 5. That this Ordinance is declared to be an emergency measure and shall be in full force and effect from and after its passage. The reason for the emergency lies in the fact that same is necessary for the immediate preservation of the public peace, health, safety, and property, and for the further reason that the lease of said property will allow for continued cost-effective occupancy of the space by the City of Toledo and to timely facilitate the transfer of ownership of One Government Center to the Toledo-Lucas County Port Authority.

Vote on emergency clause: yeas _____, nays _____.

Passed: _____, as an emergency measure: yeas _____, nays _____.

Attest: _____
Clerk of Council

President of Council

Approved: _____

Mayor

I hereby certify that the above is a true and correct copy of an Ordinance passed by Council

_____.

Attest: _____
Clerk of Council