



Legislation Text

File #: O-040-23, Version: 1

TDOT012423OLECLEASE

Engineering and Construction Management
Christy Soncrant (x2851)

Authorizing the mayor to enter into a lease agreement with GEYDE Development for 25,711 square feet of office and storage space along with employee, client, and visitor parking at One Lake Erie Center for the Division of Engineering and Construction Management for a term of thirteen years; authorizing the expenditure from the General Fund, the Capital Improvement Program Fund, the Tax Road Improvement Fund, the Water Operating Fund, the Sewer Operating Fund, and the Storm Water Utility Operating Fund for said lease; and declaring an emergency.

SUMMARY & BACKGROUND:

The Division of Engineering and Construction Management currently operates offices on the third floor of One Lake Erie Center, 600 Jefferson Ave. through a lease agreement with GEYDE Development. New terms have been negotiated to relocate to the second floor so that necessary building repairs can be done to the third floor. The first year (2023) of the new lease, Engineering & Construction Management will continue to occupy the third floor while the second floor is prepared for occupancy. Beginning the second year of the lease Engineering & Construction Management will move to the second floor, which it will occupy for the remaining 12 years on the term of the lease. This location provides sufficient office and meeting space along with secured fleet parking for construction vehicles to meet the needs of the division throughout the term of the lease. This ordinance authorizes this lease amount, as well as an annual increase in rent and parking of 2% annually.

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

SECTION 1. That the mayor is authorized to enter into a lease agreement with George F. Eyde, LLC for 25,000 square feet of office space, 711 square feet of storage space in One Lake Erie Center, and employee, client, and visitor parking for the Division of Engineering and Construction Management. The lease agreement shall be for a term of thirteen (13) years according to the terms and conditions outlined in the lease and deemed requisite by the mayor, the Director of Transportation, and the Law Director.

SECTION 2. That the rental rate for such space located at One Lake Erie Center and required parking shall not exceed \$363,128.00 for the first year while occupying the existing third floor, \$429,838 the second year after moving into the renovated space on the second floor, and then increase 2% annually for the term of the lease. A copy of the cost structure is attached hereto as Exhibit A. The division of the total cost will be based on annual approved budget allocations for full-time equivalent (FTE) position allocations within each fund. This amount is authorized for expenditure with the annual funding allocation to be divided between the account codes listed below. Account codes to be utilized include the General Fund Account Code 1001-35000-5651001STDSTD, Capital Improvement Program Fund Account Code 5040-35000-8C35000PROSUP, Tax Road Improvement Fund Account Code 5045-35000-8C35000PROSUP, Water Operating Fund Account Code 6060-35000-4000512STDSTD, Sewer Operating Fund Account Code 6070-35000-4000508STDSTD, and

Storm Water Utility Operating Fund Account Code 607A-35000-4000552STDSTD. The remainder of the lease rental payments will be subject to the availability of funds in future years.

SECTION 3. That the cost for said lease rental shall be included in annual appropriations of the Division of Engineering and Construction Management as appropriate and that said expenditures are authorized as a continuing obligation, subject to future available appropriations.

SECTION 4. That the Finance Director is hereby authorized and directed to draw their warrant or warrants against the account codes as specified in Section 2 for the payment of the above-authorized obligations upon presentation of proper voucher or vouchers.

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 Ordinance must be immediately effective in order to allow for timely relocation of existing offices in order to maintain efficient operations.

Vote on emergency clause: yeas 12, nays 0.

Passed: January 24, 2023 as an emergency measure: yeas 12, nays 0.

Attest:

Gerald E. Dendinger
Clerk of Council

Matt Cherry
President of Council

Approved:

January 24, 2023
Wade Kapszukiewicz
Mayor