



CITY OF FORT LAUDERDALE
Commission Agenda Memo
REGULAR MEETING

#16-0964

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: January 4, 2017

TITLE: Motion to Approve a Lease Agreement with One Broward Blvd Holdings, LLC

Recommendation

It is recommended that the City Commission approve a lease agreement with One Broward Blvd Holdings, LLC, in substantially the form attached, for the City to rent office space within the building located at 1 East Broward Blvd. (across from City Hall on the south side).

Background

At the May 17, 2016, City Commission Conference Meeting, the City Attorney's Office discussed the need to identify more office space to accommodate some current and future employees. As space is limited within City Hall, a collaborative solution by the City Attorney's Office and the City Manager's Office was to look at available office space in close proximity to City Hall. City Attorney's Office personnel toured office space at 101 NE 3rd Avenue (Tower 101) and One East Broward. The City Attorney has decided that available office space at Suite No. 1605 (3,575 rentable square feet) in One East Broward best fits the needs of the City Attorney's Office.

A summary of the terms of the lease are as follows:

- Lease will expire on July 31, 2023.
- Lease Commencement Date – The date when Landlord's Work is substantially complete.
- Rent - \$22.99/sq. ft. with an annual increase of 3%. The City will receive a Rent credit in the total amount of \$44,493.85 to be applied as follows: (a) three (3) installments of \$10,263.23 to be applied toward the base Rent and Additional Rent (Operating Expenses) payable with respect to each of the first through third full calendar months of the first Lease Year, and (b) two (2) installments of \$6,852.08 to be applied toward the Base Rent payable with respect to each of the fourth and fifth full calendar months of the first lease year.

- Operating Expenses - \$11.45/sq. ft. with an annual increase of 2%.
- The Landlord required the City to agree to indemnify the Landlord under certain circumstances, but agreed to limit the extent of indemnification as provided in Section 768.28, Florida Statutes.
- The City's monetary obligations under the lease are subject to and conditioned on budget appropriation, and the Landlord has the right to terminate the lease upon thirty days' notice in the event of non-appropriation.

Resource Impact

There will be a fiscal year impact of \$47,875.22. However, since lease payment does not commence until the Landlord's work is complete, the negative fiscal year impact is projected to be less.

<i>Funds available as of December 5, 2016</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
001-ATT010101-3319	City Attorney	Services & Materials /Office Space Rent	\$674,625	\$579,421	\$47,872
TOTAL AMOUNT ►					\$47,872

Strategic Connections

This item is a Press Play Fort Lauderdale Strategic Plan 2018 initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 12: Be a leading government organization, managing resources wisely and sustainably
- Objective 1: Ensure sound fiscal management

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We are United.*

Attachments

Exhibit 1 – Proposed Lease

Exhibit 2 – Floor Plan

Prepared by: Ryan Henderson, City Manager's Office

Department Director: Lee R. Feldman, ICMA-CM, City Manager