



**CITY OF FORT LAUDERDALE**  
**Commission Agenda Memo**  
**REGULAR MEETING**

**#18-0494**

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

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

**DATE:** June 5, 2018

**TITLE:** Motion to Approve a Lease Amendment with Ivy Tower 101 Property, LLC

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**Recommendation**

It is recommended that the City Commission approve a ninth amendment to a lease agreement with Ivy Tower 101 Property, LLC (formerly the lease was held by Tower 101 Associates, LLC) for the City to utilize office space at the building located at 101 NE 3rd Avenue. The term of the Lease, is the earlier to occur of: (a) the date upon which the Expansion Premise Work has been substantially completed, or (b) the date Tenant takes occupancy of the Expansion Premises for the conduct of Tenant's business therein.

**Background**

The City of Fort Lauderdale has held office space in Tower 101 since 1997. Currently, the City Auditor's Office, the Budget Office, the Public Affairs Office, Public Works Department Division of Sustainability and the Division of Structural Innovation occupy space on the 14<sup>th</sup> floor of the building. Upon approval of the lease amendment, the Public Works Department Stormwater and Water/Sewer teams will move to the same floor in Tower 101 but in a separate suite. The move of Public Works teams to Tower 101 will create more space in City Hall for other City Departments. The lease will be for the use of 2,430 square feet at Suite 1410 and 1,517 square feet at Suite 1420 for a total of 3,947 square feet at \$25.00 a square foot in year one with an annual rate increase of 3%. Operating expenses will be \$14.87 a square foot in year one with an annual rate increase, not to exceed 5%. The first two (2) months of the lease will have abated rent and operating expenses. The lease amendment will expire July 31, 2023. The lease amendment is contingent upon the approval of the budget amendment presented before Commission on June 5, 2018.

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

- Lease Term – 61 months
- Effective Date – The earlier to occur of: (a) the date upon which the Expansion Premise Work has been substantially completed, or (b) the date Tenant takes occupancy of the Expansion Premises for the conduct of Tenant's business therein.

- Rent - \$25.00/sq. ft. with an annual increase of 3%
- Operating Expenses - \$14.87/sq. ft. with an annual increase, not to exceed 5%

### **Resource Impact**

There will be a fiscal impact to the City in the amount of \$26,228 for FY 2018 office space rental and a one-time estimated cost of \$134,272 for associated office equipment, information technology (IT) and related expenses. The total estimated cost for this action is \$160,500. Funding for this item is contingent upon approval of the consolidated budget amendment CAM 18-0224. Future fiscal year expenditures are contingent upon Commission adoption of requested annual operating budgets.

<b><i>Funds available as of May 24, 2018</i></b>					
<b>ACCOUNT NUMBER</b>	<b>INDEX NAME (Program)</b>	<b>CHARACTER CODE/ SUB-OBJECT NAME</b>	<b>AMENDED BUDGET (Character)</b>	<b>AVAILABLE BALANCE (Object Code)</b>	<b>AMOUNT</b>
451-PBS671001-3319	Central Regional Wastewater	Services & Materials/ Office Space Rental	\$0	\$0	\$4,252
451-PBS671001-3925	Central Regional Wastewater	Services & Materials/ Office Equipment <\$5,000	\$0	\$0	\$19,510
451-PBS671001-3299	Water & Sewer - Operations	Services & Materials/ Other Services	\$0	\$0	\$9,982
450-PBS700401-3319	Water & Sewer - Operations	Services & Materials/ Office Space Rental	\$0	\$0	\$5,829
450-PBS700401-3925	Water & Sewer - Operations	Services & Materials/ Office Equipment <\$5,000	\$0	\$0	\$18,800
450-PBS700401-3299	Water & Sewer - Operations	Services & Materials/ Other Services	\$0	\$0	\$13,683
450-PBS700401-6404	Water & Sewer - Operations	Capital Outlay/ Computer Equipment	\$0	\$0	\$7,945
470-PBS700402-3319	Stormwater - Operations	Services & Materials/ Office Space Rental	\$0	\$0	\$16,147
470-PBS700402-3925	Stormwater - Operations	Services & Materials/ Office Equipment <\$5,000	\$0	\$0	\$38,807
470-PBS700402-3299	Stormwater - Operations	Services & Materials/ Other Services	\$0	\$0	\$25,545
<b>TOTAL →</b>					<b>\$160,500</b>

**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
- Initiative 1: Achieve a structurally balanced budget through viable revenue sources, smart financial management, comprehensive financial forecasting, and results-oriented and efficient services

**Attachments**

Exhibit 1 – Proposed Lease Amendment

Exhibit 2 – Floor Plan

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