



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

**#21-0618**

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

**FROM:** Chris Lagerbloom, ICMA-CM, City Manager

**DATE:** July 6, 2021

**TITLE:** Motion Approving Tenth Amendment to the Lease Agreement between Ivy Tower 101 Property, LLC and the City of Fort Lauderdale, in Substantially the Form Provided - \$3,488,067 (53-Month Rent) - **(Commission District 2)**

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**Recommendation**

Staff recommends the City Commission approve a tenth amendment to the lease agreement between Ivy Tower 101 Property, LLC (“Lessor”) and the City of Fort Lauderdale (“City”) for all office space (19,320 square feet) on the 11<sup>th</sup> and 14<sup>th</sup> floor of Tower 101.

**Background**

Since 1997, the City of Fort Lauderdale has leased office space located 101 NE 3 Avenue, Fort Lauderdale, Florida 33301, commonly known as “Tower 101” (Exhibit 1). Currently, the City leases 17,717 square feet of office space being occupied by the City Auditor’s Office, the Office of Management and Budget, Strategic Communications, Public Works Department Division of Sustainability, Consent Order Team, and Stormwater and Water/Sewer teams.

In May 2021, City staff expressed to the Lessor its interest to renegotiate the Lease to occupy additional office space, simplify rent with a single rate, and to extend the term of the Lease which expires on July 1, 2023, to December 31, 2025 (Exhibit 2). The additional office space of 1,603 square feet will be utilized by the City Clerk’s Office.

Since the City has acquired multiple office spaces over time at different rates for each suite, the City and Lessor are seeking to simplify the Lease with a single rate of \$22.05 per square foot. Previous rates ranged from \$20.26 to \$28.07. Simplifying the rates to a single rate will save the City \$48,408 from 2021 to 2025. In the proposed amendment the Lease term will be extended for an additional two (2) years and five (5) months with the intent to allow more time for a new city facility to be built. City staff is negotiating an extension of the Lease, substantially in the terms presented below (Exhibit 3).

- Lease Term – Four (4) years and five (5) months. Commencing on August 1, 2021, and ending December 31, 2025

- New Office Space – 1,603 square feet
- Total Office Space at Tower 101 – 19,320 square feet
- Rate – Annual rate for new office space will be \$35,346.15 (\$22.05 per square foot) with an annual three percent (3%) increase.
- Operating Expenses – Annual cost for new office space will be \$28,148.68 (\$17.56 per square foot), with an annual rate increase not to exceed five percent (5%).
- The Landlord has agreed to provide a Tenant Improvement Allowance of \$3.00 per square foot, which allocates \$57,960 for improvements to the new office space and improvements for current units.
- The City will receive two (2) months of rent abatement for the first two months of the Lease.

### **Resource Impact**

There is no fiscal impact associated with this item. The single rate will lead to \$48,408 in savings from 2021 to 2025.

### **Strategic Connections**

This item is a Press Play Fort Lauderdale Strategic Plan 2024 initiative, specifically advancing:

- Internal Support Focus Area
- Goal 8: Build a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning

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

### **Attachments**

Exhibit 1 – Property Map

Exhibit 2 – Ninth Amendment

Exhibit 3 – Tenth Amendment

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