

RESOLUTION NO. RS2019-1678 (O'CONNELL & VERCHER) – This resolution would approve the fourth amendment to the lease agreement between the Metropolitan Government and Square Investment Holdings, LLC, for the lease of office space in the Washington Square building on Second Avenue.

Metro has been leasing space in this building for Office of the District Attorney since 1993. A new lease agreement was approved in 2008 (per BL2008-226) to add another 18,000 square feet for the Metropolitan Legal Department. In 2013, Metro exercised a right to lease an additional 4,508 square feet and to extend the term of the lease through November 30, 2023 (per RS2013-921). In 2014, an additional 2,051 square feet was leased for use by Criminal Justice Planning (per RS2014-1016). Metro currently leases 66,842 square feet of the Washington Square Building.

The resolution under consideration would approve the lease of an additional 1,491 square feet to be used by Criminal Justice Planning and allow the Office of the District Attorney to use the space previously occupied by Criminal Justice Planning. This amendment would bring the total amount of leased space to 68,333 square feet.

Fiscal Note: Metro would pay rent in the amount of \$22.00 per square foot for the additional space of 1,491 square feet for a total of \$32,802 per month. This rent would increase to \$22.66 beginning December 1, 2019, \$23.34 beginning December 1, 2020, \$24.04 beginning December 1, 2021, and \$24.77 from December 1, 2022 through November 30, 2023.

In addition, Metro would be responsible for the cost exceeding the improvement allowance of \$25.00 per rentable square foot (cumulatively \$37,275) for the additional space to be used for space planning, construction drawings, and improvements.