

LEGISLATIVE SUMMARY
Mayor's Office of Capital Projects
Division of Real Estate

Lease for Division of Assessments and Licenses at 65 Erieview Plaza

Ordinance No: 982-2021

Legislative Purpose: To authorize the City of Cleveland to lease approximately 14,052 rentable square feet for the Department of Finance, Division of Assessments and Licenses from Alto 55 Erieview, LLC at 65 Erieview Plaza 5th Floor for a term not to exceed seven (7) years with two five-year options to renew, exercisable by the Director of Finance; to authorize payment of utilities and operating expenses; to authorize department to purchase furniture and fixtures and to make other expenditures needed for the lease as approved by Department of Finance.

Project Summary: The Division of Assessments and Licenses (DAL) is in need of office space due to overcrowding in their offices on the first floor of City Hall.

The proposed new workspace would house the following units: Emergency Medical Services Billing, Bureau of Weights & Measures, and City Services Billing. Workspace for Emergency Medical Services Billing will be compliant with HIPAA privacy regulations.

Property Address: The Fives at Erieview
65 Erieview Plaza,
Cleveland, Ohio 44114

Landlord: Alto 55 Erieview, LLC

Floors: 5th floor of 65 building

Square Footage: The total square footage of office space will be 14,052 rentable square feet.

Initial Term: Not to exceed seven (7) years. Term will match Cleveland Department Public Health's lease at Erieview, which terminates on December 31, 2028.

Commencement: Anticipated to first quarter 2022, pending passage of legislation and buildout of space.

Renewal Term: The City shall have two additional options to extend the term for an additional period of five (5) years each, to match CDPH's lease.

Rental Rate:

Years	Office Space Rent Per Year / SF
1	\$12.00 Full Service Gross
2	\$12.25 Full Service Gross
3	\$12.50 Full Service Gross
4	\$12.75 Full Service Gross
5	\$13.00 Full Service Gross
6	\$13.25 Full Service Gross
7	\$13.50 Full Service Gross

First Year Rent: \$126,468.00 (includes 3 month rent abatement)

Rent Analysis: An analysis of available downtown office space was completed and this lease rate is lower than all comparable buildings with our square feet needs. Rent rate is also less than Cleveland Department Public Health's lease rate due to current economic climate and limited tenant improvements being requested by City.

Rent Abatement: Landlord will provide 3 months free rent at the beginning of the lease term.

Landlord Commitments: Landlord will build out the space per the final approved fit plan.

Landlord will install key fob readers on all entry doors for security, which will tie into the building fob system.

Landlord will shampoo carpet, patch any holes in walls, and conduct a full mechanical system inspection and repair.

City will have use of existing furniture and cubicles existing in the space and/or owned by landlord elsewhere in the building at no additional cost to City.

Landlord has agreed to pay the cost of DAL's move to the new space at 65 Erieview Plaza.

Tenant Responsibilities: City will be responsible for rent, utilities, and operating expenses. City is responsible for costs associated with IT. Tenant is responsible for any costs associated with new furniture or reconfiguring any existing cubicles.

Ward: 3, Councilman Kerry P. McCormack

Attachments: Location Map