

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

Lease Extension of 1300 Ontario Street from Cuyahoga County

Ordinance No: 1114-2024

Legislative Purpose: To authorize the Director of the Department of Public Safety to extend the existing lease with Cuyahoga County at current Cleveland Police Division headquarters at 1300 Ontario Street for a one year period beginning October 2, 2024, with an option to renew for an additional one year period, and to enter into an agreement with Cleveland Municipal Court for reimbursement of rent for space the Court occupies on the 4th floor.

Project Summary: City has been leasing space at 1300 Ontario Street for Cleveland Police Division Headquarters since October 1, 2018 until City constructs a new Police Headquarters. City wishes to extend the lease for its existing space for an additional one year term, commencing October 2, 2024 through October 1, 2025, with an option to renew for an additional one year period on terms mutually agreeable to County and City.

The City is seeking authorization to incur the following expenses related to the lease extension for a one year period:

- The Division of Police will occupy approximately 125,774 rentable square feet in Tower II of the Justice Center. The base rent for 118,217 square feet is \$20.50/square foot and \$11/square foot for 7,557 square feet of shared space with County for space known as the gymnasium, located on the 5th Floor, with the mat room to be scheduled by the County Sheriff's office, and the weight room open at any time to the Sheriff's office;
- The Division of Police will lease a maximum of 119 parking spaces located on Level P1 in the underground parking area at \$125 per vehicle, per month;

- The Division of Police will pay a proportional share of routine property and building maintenance, real estate taxes, insurance, snow removal, electricity, water, steam, chilled water and sewer based on the square footage occupied in the Police Headquarters; and
- The City will provide for janitorial services for leased space and, provide rubbish removal services.

In addition, County is requiring that 3,717 SF of space occupied by Cleveland Municipal Court on floor 4 be included in the lease amendment. An agreement between Department of Public Safety and the Court is needed for reimbursement of the rent of \$6,349.87 per month for 3,717 SF.

Cost:

Anticipated maximum cost to the City during lease extension:

- 118,217 SF at \$20.50/SF = \$2,423,448.50 per year, plus 7,557 SF at \$11/SF = \$83,127 per year = total of \$2,506,575.50 per year or \$208,881.29 per month; plus
- 119 parking spaces at \$125 per month = \$14,875 per month or \$178,500.00 per year; plus
- Proportional Share of Utility Costs (based on actual costs for the previous one year term which began October 2, 2023, of \$396,000) = \$33,000 per month.

Total approximately \$250,406.42 (\$208,881.29 + \$14,875+ \$33,000, less Court reimbursement of \$6,349.87) per month, but actual expenditures may be less if City terminates lease early or incrementally vacates the Justice Center site.

Permanent Parcel No: PPN 101-06-013

Ward: 3, Councilman Kerry P. McCormack

Attachments: Map