

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

Lease Extension of 1300 Ontario Street from Cuyahoga County

Ordinance No: 1065-2022

Legislative Purpose: To authorize the City of Cleveland to leaseback current Cleveland Police Division headquarters at 1300 Ontario Street on October 2, 2022 from Cuyahoga County for a 1 year period.

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 one year, starting October 2, 2022 through October 1, 2023, with the right to terminate all or a portion of the leased premises upon 90 days written notice.

The City is seeking authorization to incur the following expenses related to the lease extension for a 1 year period:

- The Division of Police will occupy approximately 142,605 rentable square feet on floor 3, and portions of floors 1, 5, 6, 7, 8 and 9 of the building (Justice Center Tower II). The base rent for 135,048 square feet is \$16/square foot and \$8/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 \$105 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 Floors 3, 5, 6, 7, 8, and 9; and, provide rubbish removal services for the entire building.

Cost:

Anticipated maximum cost to the City during lease extension:

- 135,048 SF at \$16/SF = \$2,160,768 per year, plus 7,557 SF at \$8/SF = \$60,456 per year = total of \$2,221,224 per year or \$185,102 per month; plus
- 119 parking spaces at \$105 per month = \$12,495 per month; plus
- Proportional Share of Utility Costs (based on actual costs for the previous 1 year term which began October 2, 2021, of \$395,842) = \$32,986.83 per month.

Total approximately \$230,583.83 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