

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

Leaseback of 1300 Ontario Street from Cuyahoga County

Ordinance No: 920-18

Legislative Purpose: To authorize the City of Cleveland to leaseback current Cleveland Police Division headquarters at 1300 Ontario Street on October 2, 2018 from Cuyahoga County for a 1 year period.

Project Summary: Pursuant to Ord. No. 247-17, passed June 5, 2017, the City of Cleveland agreed to sell its current Police Headquarters located at 1300 Ontario Street to Cuyahoga County for \$9,250,000 on October 2, 2018 as part of the City/County jail merger.

City has identified a location for its new Police Headquarters at 1801 Superior Avenue. Pending City Council approval, construction is intended to commence in August 2018 and is anticipated to be completed by March 31, 2019.

City shall vacate portions of the current headquarters as space is completed at 1801 Superior Avenue. However, since the property will not be completed prior to transfer of the current headquarters to Cuyahoga County, the City will need to leaseback portions of the current police headquarters from the County upon title transfer on October 2, 2018.

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

- The Division of Police will occupy all or a portion of floors 3, 5, 6, 7, 8 and 9 at \$10/sf for a period of up to 12 months;

- The Division of Police will lease a maximum of 143 contiguous parking spaces 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 leaseback costs to the City:

- 181,289 SF at \$10/SF = \$151,074.17 per month; plus
- 143 parking spaces at \$105 per month = \$15,015 per month; plus
- Proportional Share of Utility Costs (based on FY2019 budgeted amount of \$1,339,508.50) = \$72,557 per month.

Total \$238,646.17 per month maximum, but actual expenditures will be less as City incrementally vacates the Justice Center site.

This amount is included in the total \$60M budget for the new Police Headquarters at 1801 Superior Avenue.

Permanent Parcel No: PPN 101-06-013

Ward: 7, Councilman Kerry P. McCormack

Attachments: Map