



City of Coral Gables
CITY COMMISSION MEETING
October 27, 2015

ITEM TITLE:

A Resolution authorizing entering into a lease with 2121 Ponce LLP as Landlord in regards to property located at 2121 Ponce de Leon Boulevard, Coral Gables, Florida for a period of five (5) years for purpose of relocating the City's Economic Development Department.

DEPARTMENT HEAD RECOMMENDATION:

Approval.

BRIEF HISTORY:

The City's Economic Development Department (the "Tenant") currently subleases office space at 1 Alhambra Plaza, Coral Gables, Florida. The sublease expired on September 30, 2015. The sub-landlord is expanding and needs the space available by November 30, 2015. As a result the Tenant needs to relocate. The Tenant has found a nearby space at 2121 Ponce de Leon Boulevard and would like to enter into a lease with 2121 Ponce LLP (the "Landlord") for a period of five (5) years and five (5) months with a three-year extension.

The proposed lease terms are as follows:

Premises: 2121 Ponce de Leon Boulevard, Coral Gables, FL. 33134.

Tenant Improvements: The space is being leased in a tenantable condition, which includes new renovations, excluding telephone and data services.

Use: Office for City's Economic Development Department.

Term: Five (5) years and five (5) months commencing on December 1, 2015.

Renewal: Tenant will have one 3-year renewal term at market rate.

Rent:

<u>Period</u>	<u>Annual Base Rent</u>	<u>Monthly Installments</u>
Lease Year 1	\$54,417.00	\$4,534.75
Lease Year 2	\$56,049.48	\$4,670.79

Lease Year 3	\$57,731.04	\$4,810.92
Lease Year 4	\$59,462.88	\$4,955.24
Lease Year 5	\$61,246.80	\$5,103.90
Lease Year 6 (five month)	\$26,285.10	\$5,257.02

Abatement: Tenant will receive \$22,670 payment, equivalent to 5-month rent abatement. The cash incentive is to be used at the Tenant's discretion. The Tenant intends on applying the incentive towards the first month of rent in each year of the initial lease term.

Costs/CAM: Lease includes all expenses with a base year 2016. Tenant's operating expenses will be capped at 5% increase over the previous year's operating expenses in 2017 and beyond.

Security: No security deposit shall be required of Tenant under this Lease.

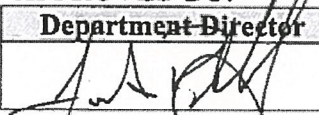
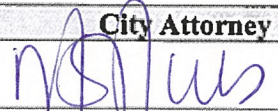
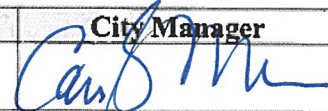
ADVISORY BOARD/COMMITTEE RECOMMENDATION(S):

Date.	Board/Committee	Comments
N/A		

FINANCIAL INFORMATION: (If Applicable)

No.	Amount	Source of Funds
N/A		

APPROVED BY:

Department Director	City Attorney	City Manager
		

ATTACHMENT(S):

1. Proposed Resolution with proposed Lease