

# **Business Item: 2014-166**

## **Authorization to Extend the Lease for Metro 94 Facilities**

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Environment Committee: July 8, 2014



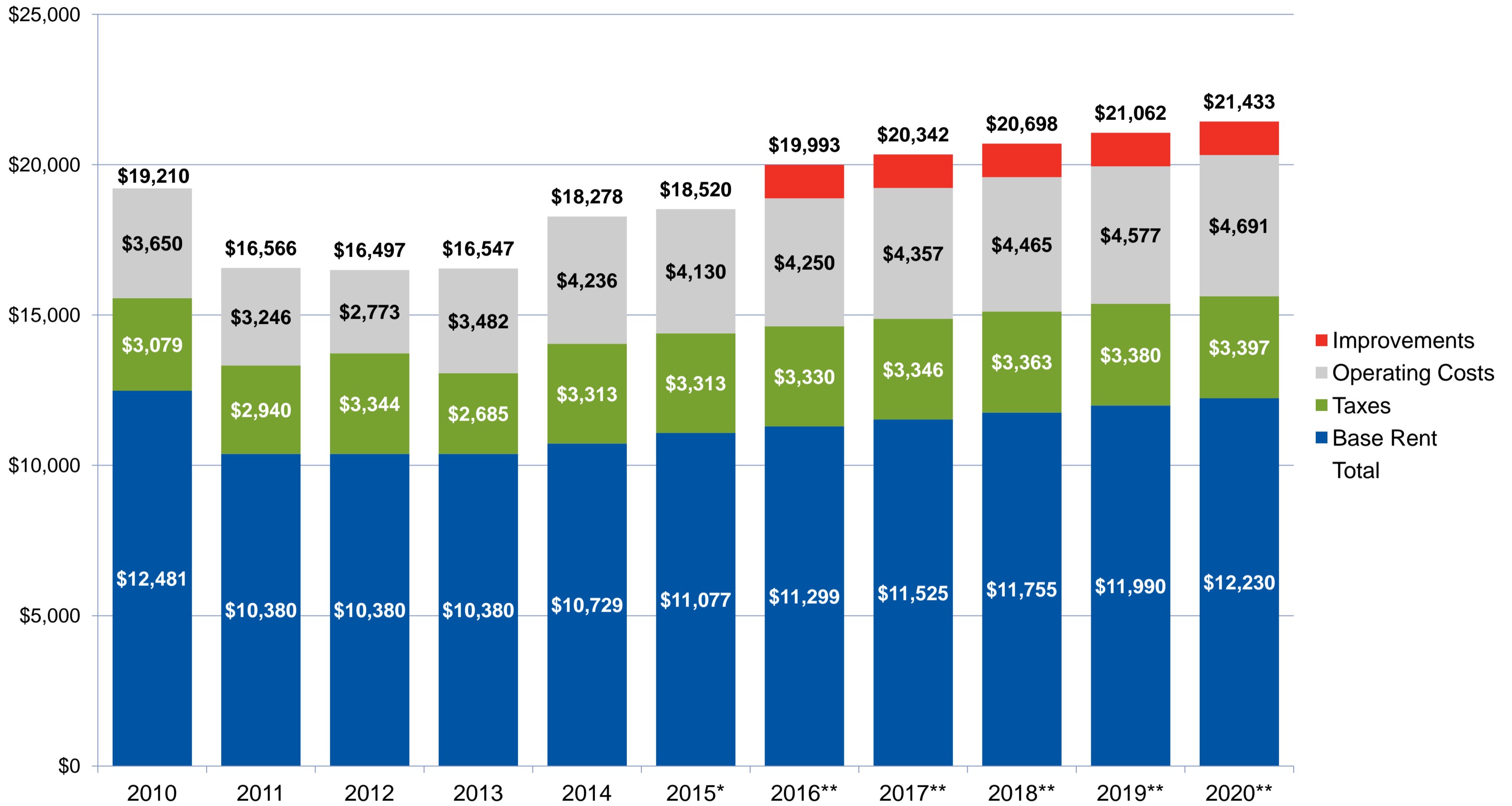
# Background

- Space occupied by:
  - MCES Industrial Waste & Pollution Prevention Section
  - MCES Air Quality Section
  - Meeting Rooms used by all Metro Council
- Current lease period July 1, 2010 – June 30, 2015
- Facility leased by Metro Council since 1990
- Current rent at competitive market rates

# Current State

- New facilities are planned for current MCES tenants at the Metro Plant
- Facilities completion has been delayed requiring need for lease extension
- Relocation to another facility would be costly due to build out requirements and moving costs.

## Metro 94 Monthly Lease Cost Trends



# Lease Extension

- To cover period July 1, 2015 to June 30, 2020
- Option to cancel lease after 3 years
- Operating costs capped at no more than 2.5% annually
- Rent to remain at competitive market rates
- Landlord has agreed to make energy improvements
- Landlord to make cosmetic improvements, such as painting and carpet replacement

# Questions