



Legislation Text

File #: 2821-2016, **Version:** 1

Background: In December 2006, with the City's purchase of the Jerry Hammond Center, 1111 E. Broad Street, pursuant to the terms of the Purchase Agreement, the City assumed all existing leases of tenants occupying space in the building. Consequently, the City assumed a Lease Agreement by and between Buckeye Union Insurance Company (Landlord) and Central Ohio Workforce Investment Corporation, or COWIC, as a Tenant that contained an initial term of five (5) years and included one option to renew the lease for a five-year term. In 2011, the City entered into a first amendment of the Lease to confirm COWIC's renewal option for a five-year term and to reduce the square footage of its Leased Premises.

Due to 2016 changes in federal workforce regulations that now require the organizational separation of responsibilities for operations and delivery of job training services from policy and governance, the original COWIC organization has been divided into two entities. The Workforce Development Board has been created as a separate entity to provide policy and governance oversight of workforce program delivery and will be located in separate leased offices. COWIC will now be responsible only for the operation of the job training centers and delivery of related services. With this change in COWIC responsibilities, the administrative and much of the meeting space on the 2nd floor of the building is no longer required. COWIC has requested that its Leased Premises be reduced, that the existing renewal term be extended until June 30, 2017, and that an additional option to renew for a four-year term be added.

This legislation authorizes the Director of Finance and Management to execute a second amendment to the existing Lease Agreement to define the reduced area of the Leased Premises and extend the current term of the Lease for six months until (January 1, 2017 - June 30, 2017), provide for an additional renewal option for a four-year term, define the rental rate for the four-year renewal term, and to revise other such terms in the lease related to the adjusted size of the area of the Leased Premises. All other terms, conditions and provisions of the Lease Agreement shall remain unchanged.

Fiscal Impact: N/A

Emergency Justification: Emergency action is requested to enable the City to extend the term of the lease without interruption.

To authorize the Director of Finance and Management to execute a second amendment to the Lease Agreement with Central Ohio Workforce Investment Corporation (COWIC) for office space lease at 1111 E. Broad Street; and to declare an emergency.

WHEREAS, in December 2006, the City assumed an existing Lease Agreement by and between Buckeye Union Insurance Company (Landlord) and Central Ohio Workforce Investment Corporation, or COWIC, (Tenant) for the lease of 61,628 square feet of office space located at 1111 E. Broad Street; and

WHEREAS, in 2011, the City and Tenant entered into a First Amendment To Lease Agreement to confirm the renewal period, define the reduced area of the Leased Premises, define the market rental rate for the renewal term, and to revise other such terms of the lease related to the adjusted size of the area of the Leased Premises; and

WHEREAS, due to changes in COWIC operations resulting from revision of federal workforce regulations, the City and Central Ohio Workforce Investment Corporation desire to enter into a Second Amendment To Lease Agreement to further

reduce the area of the Leased Premises, extend the current term of the Lease for a six month period, add a renewal option for a four-year term, define the market rental rate for the renewal term, and to revise other such terms of the lease related to the adjusted size of the area of the Leased Premises; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Finance and Management in that it is immediately necessary to authorize the Director to execute an amendment to the Lease Agreement so there is no interruption in the lease terms; now, therefore:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of Finance and Management be, and hereby is, authorized to execute a second amendment to the Lease Agreement for office space located at 1111 E. Broad Street, Columbus, Ohio 43215.

SECTION 2. That the terms and conditions of the second amendment shall be in a form approved by the City Attorney's Office and shall include the following: a) The Lease shall be amended to revise and define the area of the Leased Premises, revise such terms related to the adjusted size of the Leased Premises, extend the term, provide for a renewal option for a four-year term, and define the rent rate for the renewal term; b) All other terms, conditions, covenants, and provisions of the lease shall remain unchanged and in full force and effect.

SECTION 3. That for reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after its passage if the Mayor neither approves nor vetoes the same.