



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: RS2023-2338, **Version:** 1

A resolution to approve the Fifth Amendment to the Lease Agreement between The Metropolitan Government of Nashville and Davidson County and 404 James Robertson Prop, LLC for office space in the Parkway Towers Building located at 404 James Robertson Parkway. (Proposal No. 2023M-010AG-002).

WHEREAS, The Metropolitan Government of Nashville and Davidson County ("Metro") and Parkway Towers, LLC are parties to a Lease Agreement approved by Ordinance BL2013-555 to provide office space for various Metro departments; and,

WHEREAS, Metro and Parkway Towers, LLC executed a First Amendment to said lease on May 8, 2014, to include additional space in the lease, which lease amendment was approved by RS2014-1079; and,

WHEREAS, Metro and Parkway Towers, LLC executed a Second Amendment to said lease on June 7, 2015, to add additional reserved parking spaces within the Parkway Towers garage, which lease amendment was approved by RS2015-1531; and,

WHEREAS, Metro and 404 James Robertson Prop, LLC executed a Third Amendment to said lease on November 2, 2021, which lease amendment was approved by RS2021-1210; and,

WHEREAS, Metro and 404 James Robertson Prop, LLC executed a Fourth Amendment to said lease on April 10, 2023, which lease amendment was approved by RS2023-2088; and,

WHEREAS, Metro and 404 James Robertson Prop, LLC have agreed to a Fifth Amendment to the Lease Agreement; and,

WHEREAS, it is to the benefit of the citizens of The Metropolitan Government of Nashville and Davidson County that this Fifth Amendment to the Lease Agreement be approved.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That this Fifth Amendment to the Lease Agreement, a copy of which is attached hereto and incorporated herein, is hereby approved and the Metropolitan Mayor is authorized to execute it on behalf of the Metropolitan Government.

Section 2. This resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

Analysis

This resolution approves the fifth amendment to a lease agreement between the Metropolitan Government and 404 James Robertson Prop, LLC for office space in the Parkway Towers Building.

In November 2013, the Council approved Ordinance No BL2013-555, which approved a new lease agreement for the continued occupancy of the public defender's office and justice information services (JIS), and the addition of the department of human resources, the human relations commission, and the internal auditor. The agreement contemplated a future increase in the amount of the leased space through a right of first refusal

granted to Metro. In May 2014, the Council approved an amendment to the lease to add space for use by the public defender via Resolution No. RS2014-1079. In June 2015, the Council approved a second amendment to increase the number of reserved parking spaces provided to Metro from six spaces to 13 spaces via Resolution No. RS2015-1531. In November 2021, the Council approved a third amendment to expand the space leased by Metro for an additional 5,705 square feet of space located on the 15th floor of the building, bringing the total space leased by Metro to 55,593 square feet, via Resolution No. RS2021-1210. In April 2023, the Council approved a fourth amendment to the lease which provided that, as of May 31, 2023, Metro will vacate 1,855 rentable square feet of space located on the first floor of the building. The fourth amendment also extended the lease agreement by two months, from August 31, 2023 to October 31, 2023, with a monthly rent of \$88,648.09 during this period.

The amendment under consideration provides that, as of September 30, 2023, Metro will vacate 4,452 rentable square feet of space located on the first floor of the building. In addition, the term of the lease will be extended by three months, from October 31, 2023 to January 31, 2024. The monthly rent during this extended lease period will be \$81,303.91 per month.

Fiscal Note: This amendment reduces the rentable space by 4,452 square feet, from 53,738 to 49,286 square feet, effective September 30, 2023, and extends the lease term from October 31, 2023 to January 31, 2024. The monthly rent is reduced from \$88,648.09 to \$81,303.91 for the extended lease period from October 1, 2023, to January 31, 2024.