Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: BL2021-1015, **Version:** 1

An ordinance approving a Lease Agreement by and between the Metropolitan Government of Nashville and Davidson County acting by and through the Metropolitan Board of Education and Nashville Prep (Proposal No. 2021M-014PR-001).

WHEREAS, The Metropolitan Government of Nashville and Davidson County ("Metro"), acting by and through the Metropolitan Nashville Public Schools, and Nashville Prep desire to enter into an agreement for the lease of property for the purpose of a charter school

WHEREAS, Metro wishes to lease the Premises noted in the lease to Nashville Prep.

Now, therefore, be it resolved by the Council of The Metropolitan Government of Nashville and Davidson County:

Section 1. The Lease agreement between The Metropolitan Government of Nashville and Davidson County and Nashville Prep, which is attached hereto and incorporated by reference, is hereby approved and the Directors of Schools and the Department of Public Property are authorized to execute the lease on behalf of the Metropolitan Government.

Section 2. Any amendment, change, or extension to the lease shall be approved by resolution of the Metropolitan Council receiving twenty-one affirmative votes.

Section 3. That the Director of School shall have authority to approve any and all renovation and/or improvement projects presented by and for Nashville Prep.

Section 4. 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 ordinance approves a lease agreement between Metro Nashville Public Schools (MNPS) and Nashville Prep for use of property at 1300 56th Avenue North as a charter school. The property includes approximately 42,227 square feet of the building.

The term of the lease begins on July 14, 2021 and ends on June 30, 2031. Upon termination of the lease, the property will revert to MNPS. For the first year, the lease payment will be $14,075.67 per month, which represents a rate of $4.00 per square foot. The lease includes the cost of grounds maintenance, preventative maintenance, and refuse removal provided by MNPS's contracted providers, as well as major building systems components and capital repairs. The lease payment will increase from $4.00 per square foot in Year 1 to $5.00 per square foot in Year 2, and then increase 3% each year throughout the term of the lease.

MNPS is responsible for the major building system components and their capital repairs. This includes the building's roof, foundation, structural members of exterior walls, HVAC system components, and more. MNPS

is also responsible for the refuse collection and ground maintenance, the cost of which is included in the lease payment. Nashville Prep is responsible for custodial services, utilities, routine maintenance of the premises, and ADA compliance, building, fire, and zoning codes and regulations. Nashville Prep must maintain commercial general liability insurance of not less than $1,000,000 per occurrence.

Fiscal Note: The basic lease per square foot price is $4.00/square foot or $14,075.67 per month for the approximate square footage of 42,227 during year 1. The basic lease per square foot includes the cost of grounds maintenance preventive maintenance, refuse removal, major building systems components and capital repairs. The lease rate will increase to $5.00 per square foot in Year 2 and will increase by 3% each year beginning in year 3 and throughout the term of the lease.