

RESOLUTION NO. 1994 - 115

AUTHORIZING A CONTRACT WITH 3705 COMPANY, INC., WHOSE PRINCIPAL PLACE OF BUSINESS IS 3705 CARNEGIE AVENUE, CLEVELAND, OHIO 44115, TO LEASE SPACE FOR THE TEMPORARY HOUSING OF THE SIGN SHOP AND SHELTER SHOP OPERATIONS AND FOR MISCELLANEOUS OTHER NEEDS OF THE AUTHORITY PENDING THE REHABILITATION OF THE WOODHILL DISTRICT FACILITY FOR A PERIOD OF TIME NOT TO EXCEED TEN YEARS, FIVE MONTHS AND FOR AN AMOUNT NOT TO EXCEED \$1,217,934.68 - BUS EQUIPMENT DEPARTMENT BUDGET, GENERAL FUND.

WHEREAS, the Authority needs temporary space to accommodate various operations while the Windermere Station and the district garages undergo rehabilitation, and

WHEREAS, the 3705 Company, Inc., the owner of land located at 3705 Carnegie Avenue, Cleveland, Ohio has offered to provide such space for a period of ten years, five months commencing August 1, 1994, on terms that are deemed fair and reasonable to the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio that:

Section 1: The offer of 3705 Company, Inc. for the lease of approximately 50,095 sq. ft. of interior industrial space located at 3705 Carnegie Avenue, Cleveland, Ohio for a term of ten years, five months commencing August 1, 1994, with a right of early termination exercisable in 1999 on terms as set forth in the lease summary attached hereto as Attachment A is hereby accepted.

Section 2: The General Manager be and he is hereby authorized to enter into a lease for said premises in accordance with the terms set forth in Attachment A, and such other terms and conditions not inconsistent with Attachment A as the General Manager may deem desirable. The General Manager is further authorized to enter into a memorandum of lease and to have the same recorded in accordance with the provisions of the Ohio Revised Code.

Section 3: This expenditure is to be funded out of Bus Equipment Department's budget, commencing in the 1995 budget year in the amount of One Hundred Forty Thousand Eight Hundred Ninety-Two and 18/100 Dollars (\$140,892.18) for the year 1995, Four Hundred Fifty Thousand Eight Hundred Fifty-five and no/100 Dollars (\$450,855.00) for the period of 1996-1999, and Six Hundred Twenty-six Thousand One Hundred Eight-seven and 50/100 Dollars (\$626,187.50) for the years 2000-2004, a total expenditure of One Million Two Hundred Seventeen Thousand Nine Hundred Thirty-four and 68/100 Dollars (\$1,217,934.68).

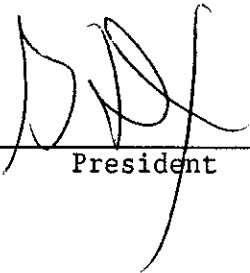
Section 4: This resolution and the contract entered in accordance herewith shall be subject to a satisfactory review by the General Manager or his designate of the environmental status of the land involved and satisfaction of all other conditions or obligations imposed by law upon this Authority.

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Section 5: This resolution shall take effect immediately upon its adoption and execution by the President of the Board of Trustees.

Adopted July 26, 1994.

Attachment A: Summary of the Lease terms.



President

Attest: 

General Manager and Secretary-Treasurer

ATTACHMENT A

SUMMARY OF LEASE FOR 3705 CARNEGIE AVENUE

OWNER: 3705 Company, Inc.
LOCATION: 3705 Carnegie Avenue

Space: Approximately 50,095 sq. ft. of interior space plus twenty (20) parking spaces. (see Attachment B)

Term: The term will be for ten (10) years and five (5) months commencing August 1, 1994 and ending December 31, 2004. RTA will have the right to terminate early after the first five years of the lease, but must exercise the right by giving notice to the landlord at least one year in advance of the termination date. the termination date can occur only on the first day of January for the years 2000-2004.

Rent: Rent will be at the rate of \$2,25 per sq. ft. per year until December 31, 1999. Beginning on January 1 in the year 2000 and until the full term of the lease on December 31, 2004, the rent will be at the rate of \$2.50 per sq. ft. per year. Rents are payable on a monthly basis.

RTA will be permitted to occupy the premises for the first three months of the term, rent free. The rent for the second three months of the term (i.e., October 1 through December 31, 1994) will be deferred to 1995 and will be spread over the year 1995.

Conditions: The lessor has setup two conditions for this lease to go forward: (1) that fee title be successfully transferred to the landlord on or before August 21, 1994, and (2) that the Board accept the offer at its July meeting.

Other Charges: In addition to rents, GCRTA will be expected to pay its pro-rata share of increases over the 1995 base year for taxes and other operating charges against the property. Water, sewer, electricity and gas and will be submetered and paid directly by GCRTA.

Other Terms: RTA will be responsible for maintenance of the interior of this space. The exterior walls, interior structural walls, roof is the obligation of the landlord. The landlord is also responsible for maintaining service connections for plumbing and electrical.

Should the premises be damaged less than 50% by a casualty; for example, a fire, the landlord will have 120 days to make

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repairs. Should a casualty occur that involves greater than 50% of the space, RTA will have the right of termination.

In the event of a condemnation of less than all of the property, RTA will have an election to enable us to terminate the lease should the space remaining be less than adequate for our needs.

