

RESOLUTION NO. 2007-107

AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A LEASE AGREEMENT WITH THE SENIOR TRANSPORTATION CONNECTION (STC) FOR THE USE OF BROOKLYN GARAGE FOR A TERM OF THREE (3) YEARS WITH TWO (2) OPTIONS OF ONE (1) YEAR EACH FOR A TOTAL OF FIVE YEARS

WHEREAS, the Greater Cleveland Regional Transit Authority (GCRTA) owns the property at 4371 Pearl Road known as the Brooklyn Garage; and

WHEREAS, the Brooklyn Garage is not fully utilized as a transit facility and there are no current plans to renovate or use the space; and

WHEREAS, the Senior Transportation Connection provides transportation services for seniors that are consistent with the mission of the Greater Cleveland Regional Transit Authority; and

WHEREAS, the Senior Transportation Connection needs a larger office space for their administrative and call center and is very interested in locating their office in the office portion of the Brooklyn garage; and

WHEREAS, the Senior Transportation Connection will fund and manage the design and build out of the office space to meet their needs; and

WHEREAS, it is in the best interest of the Greater Cleveland Regional Transit Authority to enter into a lease for the use of the facility.

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

Section 1. That the General Manager is hereby authorized to enter into the lease agreement with the Senior Transportation Connection for approximately 5,000 square feet of space in a form that is to be negotiated. The general terms are attached as Exhibit 1 to this resolution.

Section 2. That the rent will be \$1200 per month. It will increase 3% per year over the life of the lease. The first year it will be \$1200 per month totaling \$14,400 annually. The second year it will be \$1236 per month or \$14,832 annually. The third year it will be \$1273.08 per month or \$15,276.96.

Section 3. That STC will fund the design and construction of the improvements to the space. They will be responsible for all permits and construction activities. GCRTA will provide technical assistance and have approval rights on the design and construction. A proposed layout of the space is attached.

Section 4. That Senior Transportation Connection will be responsible for the on-going maintenance expenses of their office space and parking lot area in accordance with the maintenance specifications and schedule included in the lease terms, with monthly inspections of the property by GCRTA.

Section 5: That the approval of this lease is contingent to FTA concurrence on the use of the garage. Execution of any lease document will be if and only if the use is found to be in concurrence by FTA.

Section 6. That the lease is compliant with all applicable local, state and federal regulations and statutes.

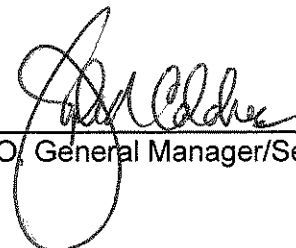
Section 7. That the General Manager be and he is hereby authorized to execute, sign any and all instruments necessary for the execution of said agreement and to enter into the lease agreement with the Senior Transportation Connection.

Section 8. That this resolution shall become effective immediately upon its adoption.

Attachment No. 1: Offer Letter  
Attachment No. 2: Office Layout

Adopted: July 24, 2007

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer

June 6, 2007

Ms. Janice Dzigiel, Executive Director  
Senior Transportation Connection of Cuyahoga County  
323 Lakeside Avenue West  
Suite 400  
Cleveland, OH 44113

Dear Janice:

My staff has completed their assessment and analysis required for the potential leasing of the Brooklyn Garage area by STC. This letter will provide GCRTA's initial terms. If you agree, these conditions will be the basis of a more legally binding document that will require approval of the RTA Board of Trustees.

Here are the conditions:

- 3 year initial lease with 2 (one year) renewal options.
- STC designs, constructs and supervises the buildout and construction of the office space and obtains all approvals and permits for it.
- Monthly rent of \$1200 to cover utilities in year one, this will be increased 3% per year
- RTA approval of final architectural plans and construction activities
- STC will be responsible for routine cleaning and maintenance of its leasehold and snow removal of the lot adjacent the front door
- RTA will maintain the remainder of the building and any "extra ordinary" maintenance issues.
- RTA will pay the direct utility bills and maintain the existing boiler system
- Any equipment, furniture, or utilities installed by STC will be their responsibility to maintain.
- RTA will insure its section of the building, STC will maintain insurances at levels that meet with RTA standards. These will be specified in the Agreement.
- This proposal is contingent on the fulfilling all state, federal and local requirements and FTA approval of the use of the facility.

This proposal is based upon the attached office layout. RTA staff has also completed an estimate for construction of the office area. This estimate does not include office furnishings, partitions, or equipment.

RTA is basically offering this space to you at our cost because of the synergy with RTA's transportation mission. RTA understands that the senior population in the

area is growing and is committed to providing effective, efficient and quality transportation services to them.

Please review this proposal. Indicate your acceptance by signing and returning it to Maribeth Feke of my staff. At that point, our legal staff will prepare the Legal Agreement required for use of the facility. If you have any question, please contact me or a member of my staff.

I look forward to bringing this arrangement to the RTA Board this summer.

Sincerely,

Joseph A. Calabrese, CEO  
General Manager/Secretary-Treasurer

ACCEPTANCE:

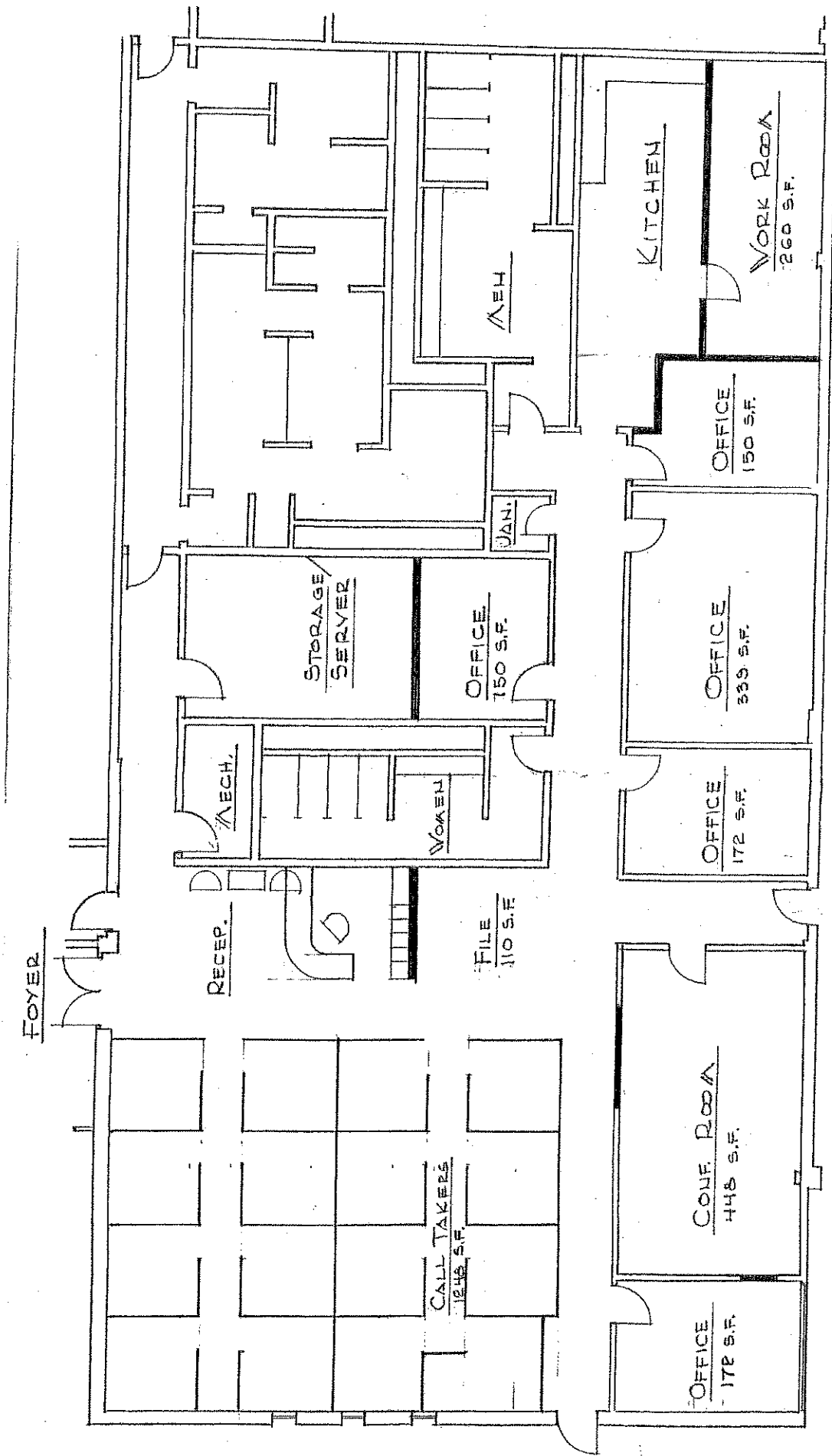
The signature below indicates the acceptance of the offer by the Senior Transportation Connection.

\_\_\_\_\_

Name

\_\_\_\_\_

Date



FLOOR PLAN  
SCALE: 1/8" = 1'-0"



Greater Cleveland Regional Transit Authority  
**STAFF SUMMARY AND COMMENTS**

<b>TITLE/DESCRIPTION:</b> AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A LEASE AGREEMENT WITH THE SENIOR TRANSPORTATION CONNECTION (STC) FOR THE USE OF BROOKLYN GARAGE FOR A TERM OF THREE (3) YEARS WITH TWO (2) OPTIONS OF ONE (1) YEAR EACH FOR A TOTAL OF FIVE YEARS	<b>Resolution No.:</b> 2007-107
	<b>Date:</b> July 19, 2007
	<b>Initiator:</b> Programming & Planning
<b>ACTION REQUEST:</b> <input type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** To allow the General Manager to enter into a lease agreement with the Senior Transportation Connection for a portion of the Brooklyn Garage at 4371 Pearl Road for the administrative offices and call center for the STC.
- 2.0 **DESCRIPTION/JUSTIFICATION:** GCRTA does not fully utilize this 127,000 square foot garage and has no plans for reconstruction or reuse of the facility. STC provides transportation services to seniors that are consistent with GCRTA's mission and an eligible activity under FTA regulations. STC is looking for a new space to house its office and call center operations. STC's Board has approved the leasing of approximately 5,000 sq. ft. (office area of the garage) for this use.
 

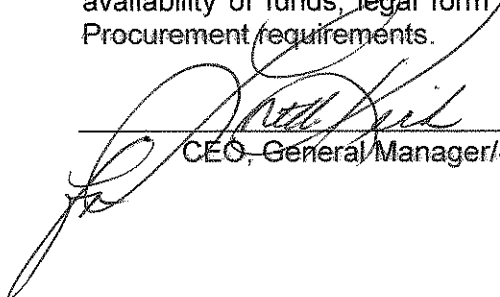
The Brooklyn Garage is a 5-acre site located at the junction of Pearl and State Roads in Ward 16 in the Old Brooklyn neighborhood in the City of Cleveland. It is adjacent to the historic downtown area of this neighborhood and has been the site of a transportation facility since the late 1800's. Nearby, the old Deaconess Hospital complex was acquired and renovated by Metro Health for administrative functions. Metro Health is also renovating another building to provide healthcare services to seniors. Fifty-seven percent (57%) of the residents of this neighborhood are seniors. Thus this use of the Brooklyn Garage by STC complements governing the redevelopment of this neighborhood.
- 3.0 **PROCUREMENT BACKGROUND:** Not Applicable. Real Estate activity is an exempt activity under FTA regulations.
- 4.0 **DBE/AFFIRMATIVE ACTION BACKGROUND:** Not Applicable
- 5.0 **POLICY IMPACT:** This action is compliant with the Board of Trustees Real Estate Policy that specifies the Board of Trustees must approve all agreements in excess of \$25,000.
- 6.0 **ECONOMIC IMPACT:** The use the garage will provide some revenue to the Authority that will offset the cost of maintaining the Brooklyn Facility. It will also provide a presence at the garage, which will be positive for the neighborhood and the facility. STC will also be responsible for the design and construction cost for the build-out of the lease space.
- 7.0 **ALTERNATIVES:** Reject the lease with Senior Transportation Connection for use of the Garage for a call center and administrative offices.
- 8.0 **RECOMMENDATION:** Approve the Lease Agreement with Senior Transportation Connection for use of the Brooklyn Garage.
- 9.0 **ATTACHMENTS:** None

**Staff Summary And Comments**

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9.0 ATTACHMENTS: None

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



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CEO, General Manager/Secretary-Treasurer