

City of Alexandria

301 King St., Room 2400 Alexandria, VA 22314

Legislation Details (With Text)

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Title: Consideration of Authorization of a Third Modification to the Lease at 2525 Mount Vernon Avenue.

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Attachments: 1. 19-1399 thirdmodification2525Lease, 2. 19-1399 Original Lease 2525 Mount Vernon, 3. 19-

1399 Letter of Intent

Date Ver. Action By Action Result

City of Alexandria, Virginia

MEMORANDUM

DATE: DECEMBER 5, 2018

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Consideration of Authorization of a Third Modification to the Lease at 2525 Mount Vernon Avenue.

<u>ISSUE</u>: Extension of Department of Community and Human Services (DCHS) lease at 2525 Mount Vernon Avenue.

RECOMMENDATION: That City Council authorize the Third Modification (attached) to the lease agreement for 2525 Mount Vernon Avenue between the City of Alexandria and Mount Vernon Avenue, LLC until September 30, 2022.

BACKGROUND: DCHS has been operating and providing services to the public at 2525 Mount Vernon Avenue for over 25 years. The lease is due to expire on June 31, 2019. The lease must be extended as details for a consolidation of DCHS and Health Department operations are finalized. Mount Vernon Avenue LLC has agreed to extend the lease for thirty-nine (39) months, expiring September 30, 2022 requiring a Third Modification to the existing lease.

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The Third Modification to the lease between the City and Mount Vernon Avenue LLC includes lease terms of thirty-nine (39) months until September 30, 2022 unless terminated per the lease terms and conditions. Extending the lease will allow the time for transition planning and buildout for colocation and consolidation of DCHS as recommended in the proposed City's Strategic Facility Plan.

FISCAL IMPACT: The operating cost is projected to increase gradually from \$95,836 per month to \$107,864 per month over the thirty-nine (39) month extended lease term. The City will continue with current lease provisions with additional building service requirements included by Mount Vernon Avenue LLC.

ATTACHMENTS:

- 1. Third Modification to Agreement of Lease between City of Alexandria and Mount Vernon LLC
- 2. Original Lease 2525 Mount Vernon Avenue
- 3. Letter of Intent

STAFF:

Laura Triggs, Deputy City Manager Jeremy McPike, Director, General Services Alfred Coleman, Deputy Director, General Services Donna Poillucci, Deputy Director, General Services