

Introduced 6/5/17
Public Hearing 6/19/17
Council Action 7/3/17
Executive Action 7/10/17
Effective Date 7/10/17

County Council of Howard County, Maryland

2017 Legislative Session

Legislative Day No. 9

Bill No. 50-2017

Introduced by: The Chairperson at the request of the County Executive

AN ACT pursuant to Section 612 of the Howard County Charter, approving a Sixth Renewal of Agreement of Lease between Howard County, Maryland and Oakwood Columbia, LLC, a Maryland limited liability company, for 8,122 square feet of office space at 7060 Oakland Mills Road, Columbia, Maryland, to be used by the Department of Recreation and Parks; authorizing the County Executive to enter into the Renewal and to make changes to the Renewal before executing it, under certain conditions; and generally relating to a multi-year lease of certain premises by Howard County from Oakwood Columbia, LLC.

Introduced and read first time June 5, 2017. Ordered posted and hearing scheduled.
By order Jessica Feldmark
Jessica Feldmark, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on June 19, 2017.
By order Jessica Feldmark
Jessica Feldmark, Administrator

This Bill was read the third time on July 3, 2017 and Passed , Passed with amendments , Failed .
By order Jessica Feldmark
Jessica Feldmark, Administrator

Sealed with the County Seal and presented to the County Executive for his approval this 6th day of July, 2017 at 3 a.m./p.m.
By order Jessica Feldmark
Jessica Feldmark, Administrator

Approved/ Vetoed by the County Executive July 10, 2017.
Allan H. Kittleman
Allan H. Kittleman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; ~~Strike-out~~ indicates material deleted by amendment; Underlining indicates material added by amendment.

1 **WHEREAS**, Howard County is party to an existing Agreement of Lease (“the
2 Current Lease”) under which it leases 5,474 square feet of office space for the Department of
3 Recreation and Parks, which space consists of Units M, N, and P at the Oakwood Business
4 Center, 7060 Oakland Mills Road, Columbia, Maryland; and

5
6 **WHEREAS**, the initial lease for the space commenced on March 6, 2007, for a term
7 of five years, and was renewed for five one-year terms; and

8
9 **WHEREAS**, the Current Lease’s existing term expires on June 30, 2017, and the
10 parties wish to amend the Current Lease by extending it for five years, and by increasing the
11 amount of space rented and the amount of rent; and

12
13 **WHEREAS**, the County wishes to enter into the Sixth Renewal of Agreement of
14 Lease, substantially in the form attached hereto as Attachment 1, in order to extend the term
15 through June 30, 2022; and

16
17 **WHEREAS**, the Sixth Renewal of Agreement of Lease requires the payment by the
18 County of funds from an appropriation in a later fiscal year and therefore requires County
19 Council approval as a multi-year agreement pursuant to Section 612 of the Howard County
20 Charter.

21
22 **NOW, THEREFORE,**

23
24 ***Section 1. Be It Enacted** by the County Council of Howard County, Maryland, that, in*
25 *accordance with Section 612 of the Howard County Charter, it approves the Sixth Renewal*
26 *of Agreement of Lease between Howard County, Maryland and Oakwood Columbia, LLC,*
27 *substantially in the form attached as Attachment 1.*

28
29 ***Section 2. And Be It Further Enacted** by the County Council of Howard County, Maryland,*
30 *that the County Executive is authorized to enter into the Sixth Renewal of Agreement of Lease*
31 *in the name of and on behalf of the County.*

1

2 **Section 3. And Be It Further Enacted** by the County Council of Howard County, Maryland,
3 *that the County Executive, prior to execution and delivery of the Sixth Renewal of Lease*
4 *Agreement, may make such changes or modifications to the Sixth Renewal of Lease*
5 *Agreement as he deems appropriate in order to accomplish the purpose of the transaction*
6 *authorized by this Act, provided that such changes or modifications shall be within the scope*
7 *of the transaction authorized by this Act; and the execution of the Sixth Renewal of Lease*
8 *Agreement by the County Executive shall be conclusive evidence of the approval by the*
9 *County Executive of all changes or modifications to the Sixth Renewal of Lease Agreement,*
10 *and the Sixth Renewal of Lease Agreement shall thereupon become binding on the County in*
11 *accordance with its terms.*

12

13 **Section 4. And Be It Further Enacted** by the County Council of Howard County, Maryland,
14 *that this Act shall become effective immediately upon its enactment.*

**Oakwood Business Center
7060 OAKLAND MILLS ROAD
COLUMBIA, MARYLAND**

SIXTH RENEWAL OF AGREEMENT OF LEASE

THIS SIXTH RENEWAL OF AGREEMENT OF LEASE (this "Renewal") is made this _____ day of _____, 2017 but deemed effective as of July 1, 2017, by and between **OAKWOOD COLUMBIA, LLC** (the "Landlord"), a Maryland limited liability company, and **HOWARD COUNTY, MARYLAND** (the "Tenant" or the "County"), a body corporate and politic.

WHEREAS, the Landlord and the Tenant executed an "Agreement of Lease" dated March 6, 2007 (the "Original Lease") for the premises known as 7060 Oakland Mills Road, Units M, N & P, Columbia, Maryland, comprising 5,474 square feet of space (the "Premises") in the Building commonly known as the Oakwood Business Center.

WHEREAS, by "Amendment to Agreement of Lease" dated June 26, 2012 (the "Amendment"), the Tenant and the Landlord amended the Original Lease to: (i) extend the term of the Original Lease, (ii) exercise the first Renewal Term, and (iii) modify the rent payable therein.

WHEREAS, by "Second Renewal to Agreement of Lease" dated February 18, 2013 (the "Second Renewal"), the Tenant and the Landlord agreed to renew the Agreement of Lease for the second Renewal Term.

WHEREAS, by "Third Renewal to Agreement of Lease" dated May 12, 2014 (the "Third Renewal"), the Tenant and the Landlord agreed to renew the Agreement of Lease for the third Renewal Term.

WHEREAS, by "Fourth Renewal to Agreement of Lease" dated March 25, 2015 (the "Fourth Renewal"), the Tenant and the Landlord agreed to renew the Agreement of Lease for the fourth Renewal Term.

WHEREAS, by "Fifth Renewal to Agreement of Lease" dated April 11, 2016 (the "Fifth Renewal"), the Tenant and the Landlord agreed to renew the Agreement of Lease for the fifth Renewal Term. (The Original Lease, the Amendment, the Second Renewal, the Third Renewal, the Fourth Renewal and the Fifth Renewal collectively referred to herein as the "Lease".)

WHEREAS, the Term expires on June 30, 2017.

WHEREAS, the Landlord and the Tenant wish to amend the Lease by extending the Term for an additional five (5) years and modifying the rent and the Premises as set forth herein.

NOW, THEREFORE, in consideration of the recitals, which are a material and substantive part of this Renewal, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Landlord and the Tenant agree as follows:

1. **Defined Terms.** Capitalized terms and phrases used in this Renewal, unless otherwise indicated, shall have the same meaning ascribed to them in the Lease.

2. **Premises.** Effective as of July 1, 2017 (the "Commencement Date"), the Premises shall be modified by removing Suite P and adding Suites I and L located in the Building. Suite L contains approximately 1,590 square feet and Suite I contains approximately 2,858 square feet. The Premises as modified shall contain a total square footage of approximately 8,122. As of the Commencement Date, all references in the Lease to the Premises shall refer to the Premises as increased in size, and all Rent which is based on the square footage of the Premises shall be calculated using 8,122 square feet.

3. **Term.** The Term is hereby extended by an additional term of five (5) years which shall be deemed to have commenced on the Commencement Date, with no gaps in the Term, and which shall expire at 11:59 p.m. on June 30, 2022 (the "Sixth Renewal Term").

4. **Rent.** The Rent for the Sixth Renewal Term shall be paid in equal monthly installments, in advance, on or before the first day of the month. The annual Base Rent ("Annual Base Rent") for the first Lease Year of the Sixth Renewal Term is \$18.00 per square foot or One Hundred Forty-Six Thousand One Hundred Ninety-Six Dollars and Zero cents (\$146,196.00) payable in monthly installments of Twelve Thousand One Hundred Eighty-Three Dollars and Zero cents (\$12,183.00), subject to Section 5 below. Notwithstanding the provisions of Section 3.3. of the Lease, for each Lease Year of the Sixth Renewal Term, the Annual Base Rent shall be increased by two and one-half percent (2.5%) of the Annual Base Rent in effect for the immediate preceding Lease Year, and the monthly installments of Annual Base Rent shall be adjusted accordingly.

5. **Rent Abatement.** Rent in the aggregate amount of Fourteen Thousand Three Hundred Ten Dollars and Zero cents (\$14,310) shall be abated on a one-time basis for Suite L from the Commencement Date through December 31, 2017 by a reduction in the monthly rent payable under Paragraph 4 herein by Two Thousand Three Hundred Eighty-Five Dollars and Zero cents (\$2,385.00) for the period following the Commencement Date and ending December 31, 2017

6. **Increases in Building Operation Costs and Taxes.** With effect from the Commencement Date, the Base Expense Stop, as set forth in Section 3.4. of the Lease, shall be adjusted from One Hundred Forty-Four Thousand Two Hundred Dollars and Zero cents (\$144,200.00) to One Hundred Ninety-Two Thousand Three Hundred

Seventy Dollars and Zero cents (\$192,370.00), and Tenant's pro-rata share shall be increased from 19.65% to 29.1%.

7. **Tenant Improvements.** The Landlord will perform the following tenant improvements, at the Landlord's sole cost and expense, and in a good and workmanlike manner, no later than July 15, 2017.

Suite J: Install single color of building standard carpet and vinyl base ; replace damaged ceiling tiles, and repair the cause of the damage to the extent not already completed; replace cabinets in kitchenette area with comparable building standard selection; touch-up and repair cabinets in the back office adjacent to the conference room and the adjoining Suite; create a small conference room at the front of the suite by building a wall and placing a door for the conference room as shown on the space plan attached and incorporated in this Agreement as Exhibit A; tear down a wall in the small office at the back of the suite to create one larger office combined with the corner office and place one door into the office as shown on Exhibit A; and add a door to the back conference room as shown on Exhibit A.

Suite L: Create a door passage and/or cased opening between Suite L and Suite M; build walls and create a corridor to create three office spaces in Suite L and place doors for those office spaces as shown on Exhibit A; Place a 36" by 4' glass window (36" off the ground) on the wall facing the outdoor entrance as shown on Exhibit A; Touch-up paint on the existing walls and full paint on the new walls throughout Suite L; replace damaged ceiling tiles, and address and repair the cause of the damage to the extent not already completed. The Landlord estimates that it shall deliver possession of Suite L to the Tenant between August and September, 2017, but delivery shall be no later than October 1, 2017.

Suites M & N: Paint entire office; complete minor dry wall repair; and install single color of building standard flooring throughout (commercial grade vinyl tile and not carpet).

8. **Brokers.** The Landlord and the County each represent and warrant to the other that it has not dealt with any broker, agent or finder entitled to any commission, fee or other compensation by reason of the execution of this Renewal, except that the County has retained Chartwell Enterprises, LLC as the County's broker ("County's Broker") and Site Realty Group acting on behalf of Landlord ("Landlord's Agent"). Landlord shall pay County's Broker in accordance with the terms of a separate commission agreement entered into between Landlord and County's Broker and Landlord's Agent. The Landlord shall indemnify, defend and hold the County harmless from any charge, liability or expense (including reasonable attorneys' fees) that the County may suffer, sustain or incur in respect of any claim for a commission, finder's fee, or other compensation due to County's Broker and Landlord's Agent or any other broker, agent, or finder claiming by, through, or under the Landlord.

9. **Miscellaneous.**

a. Except as modified by this Renewal, the terms and provisions of the Lease shall remain in full force and effect.

b. In the event of any inconsistency or ambiguity between the provisions of this Renewal and the provisions of the Lease, the provisions of this Renewal shall control.

c. Landlord and Tenant agree that this Agreement may be executed in counterparts and transmitted between them by electronic means. The parties intend that electronic signatures and an electronic copy of this Agreement containing the signatures of all parties, in counterpart, shall be binding upon both Landlord and Tenant. This document shall not be deemed as a reservation for the Premises or as an offer to lease and shall only be binding upon complete execution by all parties.

IN WITNESS WHEREOF, the Landlord and Tenant have caused this Renewal to be executed and delivered by their respective duly authorized officers or officials, under seal, on the date first above written.

WITNESS:

LANDLORD:
OAKWOOD COLUMBIA, LLC
a Maryland limited liability company

BY: _____ (SEAL)
Name: _____
Title: _____
Date: _____

[Signatures continue on the following page.]

ATTEST:

**TENANT:
HOWARD COUNTY, MARYLAND**

Lonnie R. Robbins
Chief Administrative Officer

BY: _____ (SEAL)
Allan H. Kittleman
County Executive
Date: _____

APPROVED:

James M. Irvin, Director
Department of Public Works

APPROVED FOR SUFFICIENCY OF FUNDS:

Stanley J. Milesky, Director
Department of Finance

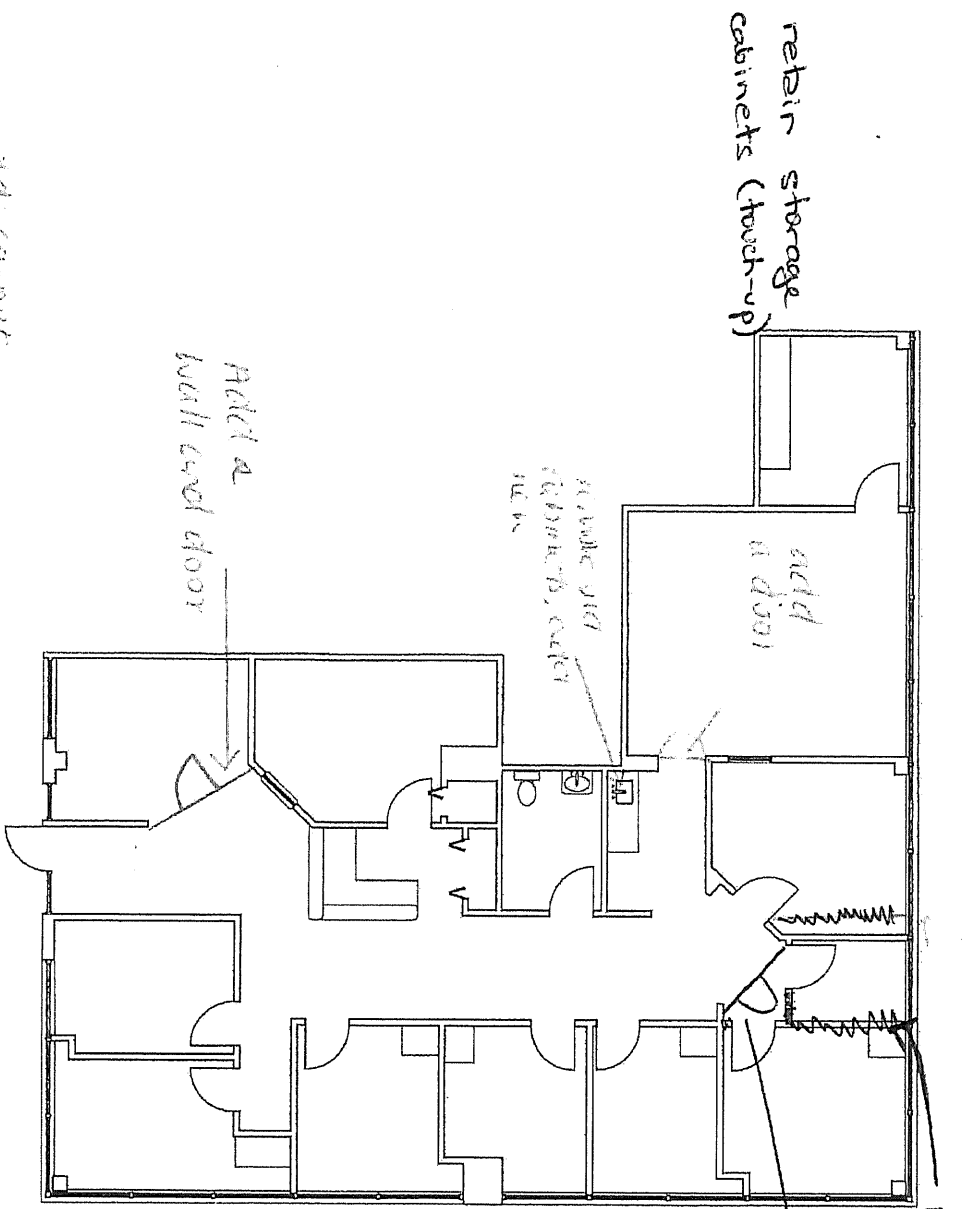
APPROVED FOR FORM AND LEGAL SUFFICIENCY
this _____ day of _____, 2017

Gary W. Kuc
County Solicitor

Reviewing Attorney:

Morenike Euba Oyenusi,
Sr. Assistant County Solicitor

~~remove floor with
floor joists
(needs to be reattached)~~



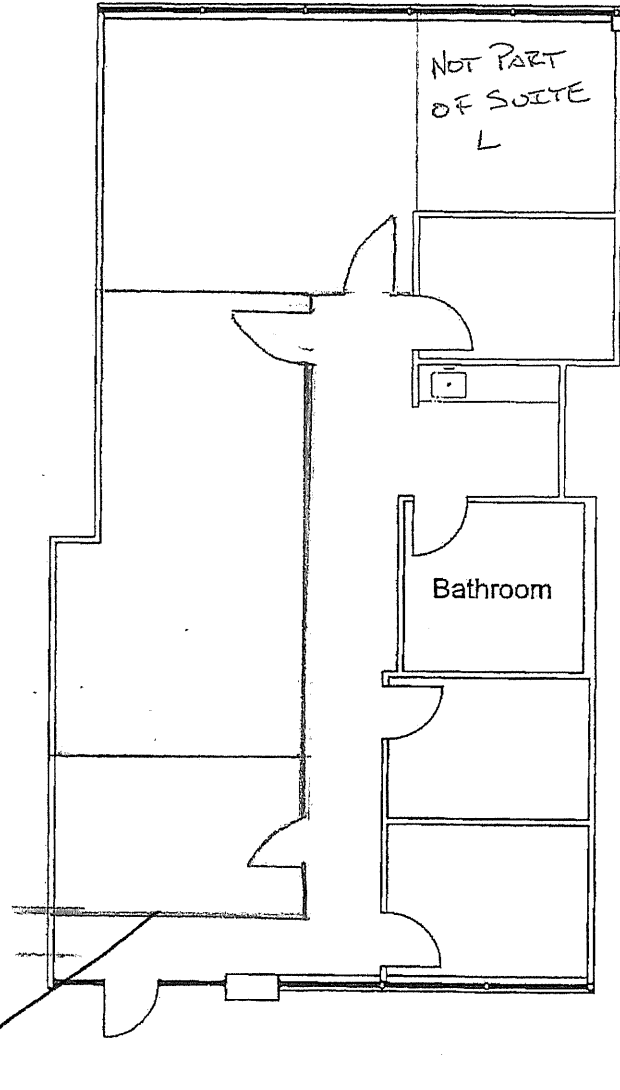
stretch carpet
install baseboards
fix ceiling holes and tiles

Oakwood I

Not to Scale. For Informational Purposes Only.

blue: made on 5/11/2017
markings

Suite L



blue markings: made
on 5/11/2017

place a 36" x 4' window on this side
(36" off the floor)

Not to Scale. For Informational Purposes Only.

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on July 10, 2017.

Jessica Feldmark
Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on _____, 2017.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on _____, 2017.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on _____, 2017.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on _____, 2017.

Jessica Feldmark, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on _____, 2017.

Jessica Feldmark, Administrator to the County Council