

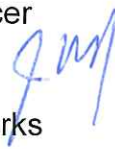


Howard County

Internal Memorandum

Subject: Testimony & Fiscal Impact Statement
Council Bill No. 51 - 2018, an Act pursuant to Section 612 of the Howard County Charter, approving a Lease Agreement between Howard County, Maryland and NewTower Trust Company Multi-Employer Property Trust for the lease of space located at 6095 Marshalee Drive, Elkridge, Maryland.

To: Lonnie R. Robbins,
Chief Administrative Officer

From: James M. Irvin, Director 
Department of Public Works

Date: June 29, 2018

The Department of Public Works has been designated coordinator for preparation of testimony relative to approval of a Lease Agreement for leased space.

Howard County needs to raze the existing Dorsey Building, located at Bendix Road, and relocate those agencies, i.e., Howard County Land Records, the Office of the Sheriff, and Howard County Police Department's Automated Enforcement program, as part of the construction of the new Circuit Court – Capital Project C0290.

NewTower Trust Company Multi-Employer Property Trust (formerly known as Riggs & Company, a division of Riggs Bank N.A., as Trustee of the Multi-Employer Property Trust, a trust organized under 12 C.F.R. Section 9.18) (the "Landlord") by deed dated August 17, 2000 and recorded among the Land Records of Howard County, Maryland (the "Land Records"), at Liber 5180, folio 91, is the owner of approximately 13.3754 acre of real property shown as Parcel B-2 on the subdivision plat entitled "Lyndwood Square" recorded as Plat Number 14469, in the Land Records and improved with a commercial office building comprised of 81,728 square feet of leasable space known as 6095 Marshalee Drive, Elkridge, Maryland (the "Building").

The County proposes to lease a portion of the Building consisting of 6,305 square feet of rentable space on the first floor of the building, and an additional 23,887 square feet of rentable space on the second floor of the building, comprising a total of approximately 30,192 square feet of rentable space in the Building, associated parking areas, and other related amenities (collectively, the "Leased Premises").

The County and the Landlord desire to enter into a Lease Agreement, see attached, for a term of five years, with one three-year option. The Lease Agreement requires the payment by the County of funds from an appropriation in later fiscal years, and therefore requires County Council approval as a multi-year agreement pursuant to Section 612 of the Howard County Charter.

Period	Base Rent (Full Services, except electric)	Monthly Based on 30,192 square feet	Annual Based on 30,192 square feet
Year 1	\$21.00 square foot	\$52,836.00	\$528,360.00
Year 2	\$21.47 square foot	\$54,018.52	\$648,222.24
Year 3	\$21.95 square foot	\$55,226.20	\$662,714.40
Year 4	\$22.44 square foot	\$56,459.04	\$677,508.48
Year 5	\$22.94 square foot	\$57,717.04	\$692,604.48
Year 6 (partial) 2 months	\$23.45 square foot	\$59,000.20	\$118,000.40

Representatives of this department will be present at the public hearing to answer any questions or concerns. If you require any further information concerning this matter or have any additional questions, please do not hesitate to contact me at your convenience.

cc: Jennifer Sager
File