

JOHN J. TECKLENBURG
MAYOR

City of Charleston
South Carolina
Clerk of Council Department

VANESSA TURNER MAYBANK
CLERK OF COUNCIL

NOTICE OF MEETING

A meeting of the Committee on Real Estate will be held beginning at 4:00 p.m. Tuesday, March 26, 2019 at City Hall, First Floor Conference Room, 80 Broad Street. The agenda will be as follows:

AGENDA

Invocation – Councilmember Waring

Approval of Minutes:

March 14, 2019

- a. Request approval of the Amendment to Lease for tenant improvements at 2093 Executive Hall Road required for police forensics accreditation in the amount of \$10,760. The property is owned by Traverse Point, LLC. (TMS: 351-01-00-049)

In accordance with the Americans with Disabilities Act, people who need alternative formats, ASL (American Sign Language) Interpretation or other accommodation please contact Janet Schumacher at (843) 577-1389 or email to schumacherj@charleston-sc.gov three business days prior to the meeting.

COMMERCIAL REAL ESTATE FORM

TO: Real Estate Committee DATE: March 26, 2019

FROM: Ashley Anderson DEPT: BFRC

ADDRESS: 2093 Executive Hall Road

TMS: 351-01-00-049

PROPERTY OWNER: Traverse Point, LLC

ACTION REQUEST: Request approval of the Amendment to Lease for tenant improvements at 2093 Executive Hall Road required for police forensics accreditation in the amount of \$10,760.00.

ORDINANCE: Is an ordinance required? Yes No

ACTION: What action is being taken on the Property mentioned?

ACQUISITION Seller (Property Owner) _____ Purchaser _____

DONATION/TRANSFER
Donated By: _____

FORECLOSURE
Terms: _____

PURCHASE
Terms: _____

CONDEMNATION
Terms: _____

OTHER
Terms: _____

SALE Seller (Property Owner) _____ Purchaser _____

NON-PROFIT ORG, please name _____
Terms: _____

OTHER
Terms: _____

EASEMENT Grantor (Property Owner) _____ Grantee _____

PERMANENT _____

COMMERCIAL REAL ESTATE FORM

Terms: _____

TEMPORARY

Terms: _____

LEASE Lessor: Traverse Point, LLC Lessee: City of Charleston

INITIAL

Terms: _____

RENEWAL

Terms: _____

AMENDMENT

Terms: In order to accommodate the police forensics crime lab at 2093 Executive Hall Road, several improvements must be made to the premise, including: a shower/eye wash station, removal and replacement of flooring and construction of two offices. The landlord will coordinate this work and the City will reimburse the landlord for its share of expenses, amounting to \$10,760.00.

Improvement of Property

Owner: _____

Terms: _____

BACKGROUND CHECK: If Property Action Request is for the sale or lease of city property, has a background check been completed?

Yes No N/A

Results: _____

Signature: *Ashley Anderson*
Director Real Estate Management
Property Management Coordinator

ADDITIONAL: Please identify any pertinent detail (Clauses, Agreement Terms, Repeals, etc.) regarding City Property.

NEED: Identify any critical time constraint(s).

EXHIBIT A
(Attach Lease Agreement dated February 26, 2019)

Lease Agreement
for
2093 Executive Hall Road, Charleston, SC 29407

This lease agreement (the "Lease") is made and entered into this 26th day of February, 2019, by and between Traverse Point, LLC ("Landlord") and City of Charleston ("Tenant").

Witnesseth:

In consideration of the following covenants and agreements for themselves and their successors, and permitted assigns, Landlord and Tenant do hereby agree as follows:

A. Demised Premises: Landlord leases to Tenant, and Tenant leases from Landlord, the demised premises for the term, upon the rental, and subject to the covenants and agreements herein set forth. Said premises are identified as the building located at 2093 Executive Hall Road, Charleston, SC 29407 (the "Property") consisting of approximately 4,020 square feet (the "Leased Premises").

B. Term and Delivery of Leased Premises: The initial term of this Lease shall be for a period of three (3) years. The Lease shall begin on the 1st day of April, 2019 and shall terminate on the 31st day of March, 2022, unless sooner terminated by either party in accordance with the provisions this Lease. If the term of the Lease shall commence on a day other than the first day of a calendar month, rental shall be paid for the portion of the month in proportion to the monthly rental rate as herein provided and the term of the Lease shall be extended so as to cause the expiration of the term to be on the last day of the last month of the term. Tenant shall be permitted to install fixtures and equipment and make other alterations as necessary for Tenant's use of the Leased Premises prior to the commencement of the term with the prior consent of Landlord.

C. Termination: Tenant shall have the right to terminate this Lease at any time after the 30th month of the Lease term at no cost to Tenant by providing to Landlord six (6) months advance written notice of termination.

D. Option to Renew: Tenant shall have the option to renew the Lease for one (1) additional one (1) year term, provided all rents and obligations are kept current and Tenant is not in default of the Lease. Tenant may exercise this option by delivery of notice in writing to Landlord at least sixty (60) days prior to the end of the initial term of the Lease. Monthly rent for the option period shall be negotiated prior to lease expiration.

E. Covenants and Conditions of Lease: The Lease is made on the following covenants and conditions which are expressly agreed to by Landlord and Tenant:

Rent: Tenant agrees to pay as rental to Landlord the sum as shown below, said sum to be payable in equal monthly installments as follows:

April 1, 2019	March 31, 2020:	\$54,270 annually;	\$4,522.00 monthly;
April 1, 2020	March 31, 2021:	\$55,898 annually;	\$4,658.17 monthly;
April 1, 2021	March 31, 2022:	\$57,575 annually;	\$4,797.92 monthly.

Monthly Rent is due on the 1st day of each month and shall not be withheld for any reason whatsoever. In the event Tenant shall fail to pay the Monthly Rent when due, or any other amounts required to be paid by Tenant under the terms of the Lease, if any, on the due date or within five (5) days thereafter, a late charge of five percent (5%) of the amount due, shall be added to the Monthly Rent and paid to the Landlord for each late payment and the same shall be treated as additional rent.

2. Taxes and Insurance: Tenant shall pay to Landlord as additional rent its proportionate share of real estate taxes, special taxes, Charleston County Recycling Fees and Storm Water Fees and assessments and all insurance for the Property. Landlord shall notify Tenant of the amount of such charges, and Tenant shall pay Landlord such amounts within thirty (30) days from the date of notice to it by Landlord. Tenant's proportionate share is the fraction, the numerator of which is the gross leasable area in the Leased Premises and the denominator of which is the total gross leasable area of the Property.

The estimated contributions for the current calendar year based upon Tenant's pro rata share of the

Property are as follows:

	<u>Annual Amount per square foot</u>	<u>Monthly</u>
Taxes:	\$2.71	\$906.42
Insurance:	\$1.07	\$356.83
Stormwater, recycling and Landscaping	\$1.09	\$365.87
TOTAL	\$4.87	\$1,629.12

3. Use: Tenant shall use the Leased Premises for the purpose of office use and forensics lab; the Leased Premises shall not be used for any other purposes without the express prior written approval of the Landlord. Tenant shall at all times during the term of the Lease be in full compliance with any and all federal, state and local governmental rules and regulations, ordinances and similar provisions having the force and effect of law, including, but not limited to Occupational Safety Hazard Administration (OSHA), Environmental Protection Agency (EPA), State of South Carolina Department of Health and Environmental Control (DHEC), National Electric Codes and the like which are or would be applicable to the use of the Leased Premises.

4. Increasing insurance risk: Tenant shall not permit the Leased Premises to be used for any purpose which would render the insurance thereon void or cause cancellation thereof or the insurance risk more hazardous or increase the insurance premiums in effect at the time just prior to the commencement of the term of the Lease. Tenant shall not keep, use or sell in or about the Leased Premises any article or material which is prohibited by law or by Landlord's fire insurance policies. In the event Landlord's insurance premium is increased due to Tenant's use or occupancy, Tenant agrees to pay the amount of such increase as additional rent or at either Landlord's or Tenant's option, the Lease shall be terminated.

5. Condition of the Leased Premises: Tenant has inspected and accepts the Leased Premises in the same condition they are in at the time of the commencement of the term of the Lease unless noted in Paragraph 29.

6. Repair and Care of Building by Tenant: Tenant shall, throughout the term of the Lease and any renewals thereof, at its own expense, maintain the Leased Premises in good order and repair, except for those repairs expressly required to be made by Landlord. Tenant shall provide for periodic servicing of the heating, air conditioning and ventilation system as recommended by the manufacturer of such equipment, including changing the filter monthly. Tenant shall be responsible to pay the costs for all servicing and repairs to heating and air conditioning equipment. Tenant shall maintain pest control. Tenant agrees to return the Leased Premises to Landlord at the expiration or prior termination of the Lease in as good condition and repair as when received, normal wear and tear excepted.

7. Repair and Care of Building by Landlord: Landlord agrees to keep the roof and exterior walls, and plumbing and electrical components (excluding fixtures) of the Leased Premises in good repair, exclusive of all glass and all exterior doors. Landlord shall be responsible for all required replacements of major components of the HVAC equipment including cost of installation. Tenant shall be responsible for all landscaping and maintenance of grounds and parking lot at the Leased Premises. Tenant shall promptly report in writing to Landlord any defective condition for which Landlord is responsible.

8. Regulations and Sanitation: Tenant shall keep the Leased Premises clean, safe, sanitary and in compliance with laws, ordinances and requirements of any legally constituted public authority. Tenant shall keep broom clean all areas in and around the Leased Premises that are not included in Common Area maintenance, such as front sidewalks and the area behind building. Cleaning includes removing of any trash or refuse deposited on the Leased Premises or adjacent public area by Tenant, Tenant's customers or anyone else. In the event of non-compliance by Tenant, Landlord shall have the right to have said areas cleaned, trash and refuse removed and charge the expense to Tenant as Additional Rent which shall be due and payable upon demand; nonpayment of which shall constitute default of the Lease. Tenant shall employ, if Landlord determines it is necessary, a reputable pest extermination company at regular intervals. Tenant shall be responsible for the payment of any trash disposal and User Fees resulting from Tenant's use, including, but not limited to, Charleston County Recycling Fees and Storm Water Fees.

9. Alteration of Building: Tenant may not under any circumstances make any alterations or improvements in or to the Leased Premises or any other part of the building without the Landlord's prior written consent.

10. Payment of Taxes and Other Assessments: Landlord shall pay annually all real estate taxes on the Leased Premises existing at the commencement of the Lease or hereafter revised in accordance herewith, if applicable.

11. Subordination of Lease: Tenant agrees upon request of Landlord to subordinate the Lease and its rights hereunder to the lien of any mortgage, deed of trust or other voluntary hypothecation arising out of any security instrument duly executed by Landlord charged against the land, building and Leased Premises, or any portion or portions thereof, and to execute at any time and from time to time such documents as may be required to effectuate such subordination provided such subordination contains a provision requiring that the holder thereof shall not take any action to interfere with the Tenant's quiet enjoyment of the Leased Premises during the lease term provided the Tenant is not in default of any terms and/or conditions of the Lease.

12. Condemnation: If the whole of the Leased Premises, or such portion thereof as will make same unusable for the purpose herein leased, be condemned by any legally constituted authority, the Lease shall terminate on the date when possession thereof is taken by the condemning public authority and rental shall be accounted for as between Landlord and Tenant as of that date. Such termination, however, shall be without prejudice to the rights of either Landlord or Tenant to recover from the condemning public authority compensation for damage caused by condemnation. Neither the Tenant nor Landlord shall have any rights in any award made to the other by any condemnation authority. In the event only such portion of the Leased Premises is acquired by condemnation as will leave the remaining premises, after alteration and repairs, in condition suitable for use by Tenant, the monthly rental payments from the day of such acquisition to the end of the original or any extended term of the Lease shall be reduced in proportion to the resulting loss of use of the Leased Premises by Tenant. In the event of such partial acquisition and reduction in rent, Landlord shall make promptly at Landlord's expense, all necessary alterations and repairs which shall be required, to restore the premises to a safe and useable condition.

13. Erection and Removal of Signs: Tenant may place suitable signs on the Leased Premises for the purpose of indicating the nature of the business carried on by Tenant in the Leased Premises. The location, color and size of such signs shall be approved by Landlord in writing prior to their erection, and shall not damage the Leased Premises in any manner. At the termination of the Lease, Landlord may require that Tenant remove its sign, and any damage to the Leased Premises caused by removal shall be promptly repaired by Tenant to the satisfaction of Landlord.

14. Glass Breakage and Vandalism: Tenant agrees to immediately replace all broken or damaged glass with glass of a comparable quality and characteristics which meets applicable building code requirements. Tenant shall make any repairs or replacements caused by vandalism to the Leased Premises or any part thereof, if any, to the extent Landlord's property and casualty insurance proceeds to repair or replace such damage are insufficient to cover the cost thereof.

15. Right of Entry by Landlord: Tenant at any time during the lease term shall permit inspection of the Leased Premises during reasonable business hours by Landlord or Landlord's agent or representatives for the purpose of ascertaining the condition of the Leased Premises and in order for the Landlord to make repairs as may be required to be made by Landlord under the terms of the Lease. Sixty (60) days prior to the expiration of the Lease, Landlord may post suitable notice on the Leased Premises that the same are "for rent" and may show the Leased Premises to prospective tenants at reasonable times.

16. Payment of Utilities and Services: Tenant shall contract for and pay all charges for gas, electricity, water and sewer used on the Leased Premises. The Tenant is responsible for the removal and disposal of all garbage and debris from the Leased Premises and for the payment of all costs associated therewith. Tenant is also responsible for any and all user fees and/or other expenses relating to such garbage and debris whether charged to Landlord or Tenant and Tenant agrees to pay the same within 10 days after receiving notice from Landlord of the amount due.

17. Assignment and Subletting: Neither the Lease nor any interest herein may be assigned by Tenant voluntarily or involuntarily by operation of law, and neither all nor any part of the Leased Premises shall be sublet by Tenant without the written consent of Landlord.

18. Rules and Regulations: Landlord reserves the right at any time to make further rules and regulations as in Landlord's judgment may be necessary for the safety, care, appearance, and cleanliness of the Leased Premises and the preservation of good order therein, and such other rules and regulations shall be binding upon the parties hereto with the same force and effect as if they had been contained herein at the time of execution hereof.

19. Damage or Destruction: If the Leased Premises or any part thereof shall be damaged or destroyed by fire or other casualty, Landlord shall repair all such damage and restore the Leased Premises without expense to Tenant, subject to delays due to adjustment of insurance claims, strikes and other causes beyond Landlord's control. Landlord and Tenant hereby release each other from liability for loss or damage occurring on or to the Leased Premises or to the content thereof, caused by fire or other hazards covered by fire and extended coverage insurance policies and each waives all rights or recovery against the other for loss or damage for which recovery is received. Willful misconduct lawfully attributable to either party shall not be excused under the foregoing release and waiver.

20. Injuries and Property Damages: Tenant acknowledges that it may be liable for its negligent acts arising from Tenant's use or occupancy of the Leased Premises during the lease term to the extent set forth in the South Carolina Tort Claims Act. Tenant shall at all times during the term hereof keep in effect public liability and property insurance with limits as follows:

Bodily Injury:	\$600,000.00 per occurrence; \$300,000 per person.
Property Damage:	\$100,000.00.

Each original policy or a certified copy thereof, or a satisfactory certificate of the insurer, evidencing insurance carried by the Tenant shall be deposited with Landlord within thirty (30) days after the execution of the Lease.

21. Surrender of the Leased Premises: Tenant agrees to deliver all keys and to surrender the Leased Premises at the expiration or sooner termination of the Lease, or any extension thereof, and to broom clean tiles and shampoo and vacuum any carpets to be the same condition as when the Leased Premises were delivered to Tenant, ordinary wear and tear excepted, and Tenant shall remove all of its property therefrom. Tenant agrees to pay the cleaning charge should it be necessary for Landlord to restore the Leased Premises to such condition in addition to the cost to repair any damages caused by Tenant.

22. Holdover: Should Tenant hold over the Leased Premises or any part thereof after the expiration of the term of the Lease, unless otherwise agreed in writing, such holding over shall constitute a tenancy at sufferance and Tenant shall pay twice the monthly rental rate paid for the last month under the Lease. It is agreed and understood that in the event Tenant does not intend to enter into an extension or renewal of the Lease, Tenant shall give Landlord written notice sent by Certified Mail of its intention not to renew or extend not less than 60 days prior to the expiration of the Lease or earlier termination.

23. Waiver of Covenants: It is agreed that the waiving of any of the covenants of the Lease by either party shall not be deemed to waive any other breaches of such covenant or any provision herein contained.

24. Default: If Tenant shall default in fulfillment of any of the covenants and conditions hereof except default in payment of rent, Landlord may, at its option, after fifteen (15) days prior notice to Tenant, make performance for Tenant and for their purpose advance such amounts as may be necessary, and any amounts so advanced or any reasonable expense incurred or sum of money paid by Landlord by reason of the failure of Tenant to comply with any covenant, obligation, or provision of the Lease shall be deemed to be additional rent and shall be due and payable to Landlord on demand. The acceptance by Landlord of any installment of fixed rent or of any additional rent hereunder shall not be a waiver of any other rent then due. If Tenant shall default in fulfillment of any of the covenants or conditions of the Lease, other than the covenants for the payment of rent or other amounts and any such default shall continue for a period of thirty (30) days after notice, then Landlord may, at its option, terminate the Lease by giving Tenant notice of such termination and, thereupon, Tenant shall immediately quit and surrender the Leased Premises.

25. Enforcement: This Agreement shall be governed by the laws of the State of South Carolina and any and all disputes arising out of said agreement shall, if litigation is necessary, be litigated only in a Circuit Court for the Ninth Judicial Circuit sitting in Charleston, South Carolina. The prevailing party shall be entitled to attorney's fees and all costs of said litigation.

26. Rights of Successors and Assigns: The covenants and agreements contained in the Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto, their heirs, successors, and permitted assigns, except as expressly otherwise herein provided.

27. Liens: Tenant agrees not to permit any lien for moneys owing by Tenant to remain against the Leased Premises for a period of more than thirty (30) days after discovery of the same by Tenant. Landlord may at Landlord's option pay and discharge such lien and may pay and discharge any taxes, assessments or other charges against the Leased Premises which Tenant is obligated hereunder to pay and which may or might become a lien on the Leased Premises. Tenant agrees to repay any sums so paid by Landlord upon demand therefore together with interest at the rate of twenty percent (20%) per annum from the date any payment is made and Landlord may at Landlord's option terminate the Lease.

28. Notices: It is agreed that the legal address of the parties for all notices required or permitted to be given hereunder or for all purposes of billing, processing, correspondence, and any other legal purposes whatsoever, shall be deemed sufficient if given by a communication in writing by United States Mail addressed as follows:

To the Landlord at the Following address:

Traverse Point, LLC
347 Plantation View Lane
Mt. Pleasant, SC 29464

To the Tenant at the following address:

City of Charleston
Real Estate Management
2 George Street, Suite 2600
Charleston, SC 29401

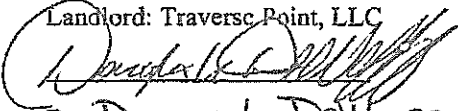
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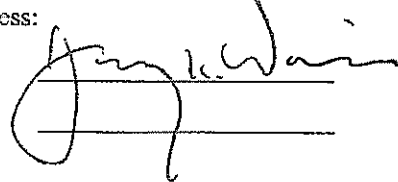
City of Charleston
Corporation Counsel
50 Broad Street
Charleston, SC 29401

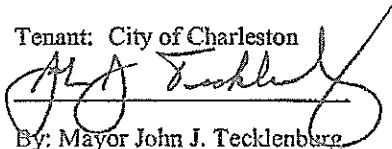
29. Americans with Disabilities Act: Any other provision of the Lease notwithstanding, the parties hereby agree that the Leased Premises shall be subject to the terms and conditions of the Americans with Disabilities Act of 1990 (hereinafter the "ADA" as amended from time to time). The parties further agree and acknowledge that it shall be the sole responsibility of Tenant to comply with any and all provisions of the ADA, as such compliance may be required to operate the Leased Premises. Within ten (10) days after receipt, Tenant shall advise the Landlord in writing and provide with copies of (as applicable), any notices alleging violation of the Americans with Disabilities Act of 1990 ("ADA") relating to any portion of the building or of the Leased Premises, any claims made or threatened in writing regarding noncompliance with the ADA and relating to any portion of the building or of the Leased Premises, or any governmental or regulatory actions or investigations instituted or threatened regarding noncompliance with the ADA and relating to any portion of the building or of the Leased Premises.

[Signature page to follow]

In Witness Whereof, the parties hereto have caused these presents to be executed as of the day and year first above written.

Landlord: Traverso Point, LLC
 2/21/19
By: DOUGLAS L. DEWOLFF

Witness:


Tenant: City of Charleston

By: Mayor John J. Tecklenberg

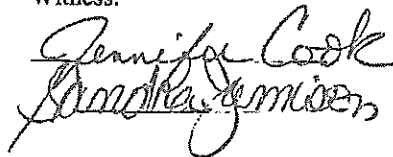
Witness:


EXHIBIT B
(Attach Proposal from Grace Development dated March 12, 2019)

