

**MECKLENBURG COUNTY
BOARD OF COMMISSIONERS
RESOLUTION AUTHORIZING LEASE OF PROPERTY
TO TIMOTHY PAVONE
OWNER OF THE LAW OFFICES OF ATTORNEY TIMOTHY J. PAVONE**

WHEREAS, Mecklenburg County is the owner of the Government District Parking Deck, located at 901 E. 4th Street, Charlotte, NC, parts of which were designed for use as retail space; and

WHEREAS, Timothy Pavone, owner of The Law Offices of Attorney Timothy J. Pavone, has submitted a proposal to lease one retail space attached to the Government District Parking Deck at 4th and McDowell Streets; and

WHEREAS, Colliers International, LLC, the real estate firm secured by the County to obtain tenants for the retail portion of the parking deck is in agreement with the following proposed business terms:

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|-----------------------------|--|
| Location | 901 E 4 th Street, Suite B, Charlotte, NC 28204 |
| Total Square Footage | 1,546 square feet |
| Lease Term | Seven (7) years following Rent Commencement |
| Option to Renew | One (1) option period of two (2) years and five (5) months |
| Security Deposit | Two (2) months Rent (Base & Common Area Charges. (\$6,044.66) at lease execution |
| Base Lease Rate | \$20.00/square foot. (\$30,920/year) |
| Annual Increases | 3% annually, including Option Period if exercised by Tenant |
| Revenue (Years 1-7) | Year 1 (Mos. 1-12) – \$20.00/sf; \$2,576.67/mo.; \$30,920.00/yr. Year 2 (Mos. 13-24) – \$20.60/sf; \$2,653.97/mo.; \$31,847.60/yr. Year 3 (Mos. 25-36) – \$21.22/sf; \$2,733.59/mo.; \$32,803.03/yr. Year 4 (Mos. 37-48) – \$21.85/sf; \$2,815.59/mo.; \$33,787.12/yr. Year 5 (Mos. 49-60) – \$22.51/sf; \$2,900.06/mo.; \$34,800.73/yr. Year 6 (Mos. 61-72) – \$23.19/sf; \$2,987.06/mo.; \$35,844.75/yr. Year 7 (Mos. 73-84) – \$23.88/sf; \$3,076.67/mo.; \$36,920.10/yr. |

Insurance – At Tenant’s expense, Tenant shall maintain in full force and effect comprehensive general liability insurance, workers’ compensation, and any other insurance coverages required by Mecklenburg County Risk Management.

Maintenance & Janitorial – Tenant is responsible for the payment of all maintenance and janitorial services, and pest control required within Premises. Tenant shall be responsible for all

building systems within the Premises including, but not limited to, fire alarm, electrical, HVAC, and plumbing. For major HVAC repairs exceeding \$5,000, Landlord will contribute to a replacement HVAC unit by waiving the Tenant's Base Rent for three (3) consecutive months.

Common Area Charges – In addition to Base Rent, Tenant is also responsible for the payment of its pro rata share of common area maintenance, property insurance, and common area liability insurance. County estimates Common Area Charges to be \$5,347.92 for the first year (\$445.66/month).

Delivery of Premises – Tenant to take Premises “as is”.

Commission – County shall pay both the Landlord's broker (Steve Rich – Colliers International, LLC) and the Tenant's broker (Clyde Robinson Jr – Mohr Partners, Inc.) 3% commission on the Base Rent for the Initial Lease Term (years 1-7) for a total of 6%. The total commission to be paid by the County over the Initial Lease Term for The Law Offices of Attorney Timothy J. Pavone will be \$14,215.40.

Tenant Improvement Funds – The County agrees to pay up to \$60,000 towards Tenant Improvements. One-half (\$30,000) of Tenant Improvement Money shall be paid to Tenant within thirty (30) days of written notification from Tenant's architect that construction is 50% complete. The County may verify construction progress within ten (10) days of receiving such notice from Tenant's architect. The remaining one-half (\$30,000) within thirty (30) days of Tenant providing Landlord with a copy of the Certificate of Occupancy (CO) and lien waivers from Tenant's general contractor and primary sub-contractors (electrician, plumber, HVAC, etc.).

WHEREAS, the County's Asset and Facility Management Department has determined that the space that Timothy Pavone, owner of The Law Offices of Attorney Timothy J. Pavone, desires to lease will not be needed by the County during the term of the lease; and

WHEREAS, pursuant to G.S. 160A-272 the Board of Commissioners has determined that it would be in the public interest for it to agree to the arrangement proposed by Timothy Pavone, owner of The Law Offices of Attorney Timothy J. Pavone; now, therefore, be it

RESOLVED that the Mecklenburg County Board of Commissioners does hereby approve a lease arrangement with Timothy Pavone, owner of The Law Offices of Attorney Timothy J. Pavone, as described above, and authorizes and directs the County Manager, or her designee, to negotiate and execute a formal lease arrangement with Timothy Pavone, owner of The Law Offices of Attorney Timothy J. Pavone, consistent with the business terms outlined above.

Adopted the ___ day of **June, 2020**.

Approved as to Form:

County Attorney

Clerk to the Board

(SEAL)