

**AN ORDINANCE
BY COUNCILMEMBER KEISHA LANCE BOTTOMS
AS SUBSTITUTED BY FINANCE/EXECUTIVE COMMITTEE**

AN ORDINANCE WAIVING THE COMPETITIVE SOURCE SELECTION REQUIREMENTS IN SECTIONS 2-1187 AND 2-1546 OF ARTICLE X, PROCUREMENT AND REAL ESTATE CODE OF THE CITY OF ATLANTA (“CITY”) CODE OF ORDINANCES; AUTHORIZING THE MAYOR OR HIS DESIGNEE, ON BEHALF OF THE CITY, TO ENTER INTO A LEASE AGREEMENT WITH AF 84 TENANT, LLC FOR 3,822 RENTABLE SQUARE FEET (“RSF”) OF OFFICE SPACE FOR A TERM OF SEVEN (7) YEARS FOR THE WOMEN’S ENTREPRENEURSHIP INITIATIVE (“WEI”); AUTHORIZING THE MAYOR OR HIS DESIGNEE, ON BEHALF OF THE CITY, TO ACCEPT THE DONATION OF 2,000 RSF OF SUCH LEASED SPACE FROM AF 84 TENANT, LLC; AUTHORIZING THE PAYMENT OF RENT AND OPERATING EXPENSES ON THE REMAINING 1,822 RSF OF SUCH LEASED SPACE; AUTHORIZING THE PAYMENT OF TENANT BUILD-OUT COSTS AND A CONSTRUCTION COORDINATION FEE; WITH ALL FUNDS TO BE PAID FROM ACCOUNTS LISTED HEREIN; AUTHORIZING THE MAYOR OR HIS DESIGNEE, ON BEHALF OF THE CITY, TO EXECUTE LICENSE AGREEMENTS WITH THE WEI PARTICIPANTS FOR USE OF THE LEASED SPACE; AND FOR OTHER PURPOSES.

WHEREAS, the Women’s Entrepreneurship Initiative (“**WEI**”), an initiative in the Office of the Mayor of the City of Atlanta (“**City**”), was created to synergize entrepreneurial and job opportunities for women in Atlanta and further the City’s mission of elevating and strengthening its economic development efforts and job creation efforts; and

WHEREAS, WEI wishes to provide a best-in-class “incubator” space in which Atlanta’s women entrepreneurs can receive access to a collaborative environment, comprehensive business model education, business training and mentorship; and

WHEREAS, through a competitive selection process, WEI selected fifteen (15) women-owned entrepreneurial businesses to utilize incubator space for a term of fifteen (15) months at no cost to the entrepreneurs; and

WHEREAS, WEI plans to provide the same opportunity to a new group of entrepreneurs at the start of each fifteen (15)-month cycle of the incubator program; and

WHEREAS, pursuant to the Development and Loan Agreement between the Atlanta Development Authority dba Invest Atlanta (“**Invest Atlanta**”) and Lucror Resources, LLC (“**Developer**”) dated September 23, 2014 (“**Development Agreement**”), Developer agreed that it or an affiliate would provide 2,000 square feet of leased space in the office building at 84 Peachtree Street, N.E., Atlanta, Georgia 30303 (the “**Flatiron Building**”) for a women’s entrepreneurship center at no cost to the entrepreneurs, in exchange for certain financial incentives from Invest Atlanta; and

WHEREAS, AF 84 Tenant, LLC (“**Landlord**”), an affiliate of Developer, desires to lease 3,822 rentable square feet (“**rsf**”) of office space on the 11th floor of the Flatiron Building (the “**Premises**”) to the City for use by WEI for a term of seven (7) years; and

WHEREAS, pursuant to the Development Agreement, the lease of 2,000 rsf of the Premises is being offered to the City at no cost (“**Donated Portion**”); and

WHEREAS, on the remaining 1,822 rsf of the Premises (the “**Rental Portion**”), the City will pay base rent in the amount of \$14.50 per rsf, to increase by three percent (3%) per annum, plus the City’s pro rata share of operating expenses; and

WHEREAS, base rent on the Rental Portion will be fully abated for the first three (3) months of the lease term; and

WHEREAS, the City’s pro rata share of operating expenses for the Rental Portion is estimated at \$10 to \$12 per rsf, and a reconciliation of the payment of such operating expenses will occur annually upon Landlord’s final calculation of the prior year’s actual operating expenses; and

WHEREAS, the City has received positive responses to possible sponsorships to donate payment of the rent and expenses on the Rental Portion; and

WHEREAS, the City is responsible for tenant build-out of the Premises at a cost not to exceed Two Hundred Fifty Thousand and No/100ths Dollars (\$250,000.00) to be performed by and paid to Monumental Immanuel Group, Inc., a Joint Venture, under FC-6836-C, Citywide Managing General Contractor Services contract, which contract was competitively procured and authorized by City Council Resolution 14-R-4247; and

WHEREAS, Landlord requires that the City pay Landlord’s consultant, Colliers International – Atlanta, Inc., to provide construction coordination services to the City during the tenant build-out in an amount not to exceed One Thousand Five Hundred and No/100ths Dollars (\$1,500.00); and

WHEREAS, the City and Landlord wish to enter into an agreement for the lease of the Premises in substantially similar form to the document attached hereto as **Exhibit “A”** (“**Lease Agreement**”); and

WHEREAS, the City wishes to enter into a license agreement with each business participating in the WEI for the use of the Premises for a period of no more than fifteen (15) months, in substantially similar form to the document attached hereto as **Exhibit “B”** (“**License Agreement**”).

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA HEREBY ORDAINS:

Section 1. That the Mayor or his designee, on behalf of the City, is authorized to enter into a Lease Agreement with Landlord to lease the Premises for a term of seven (7) years, in form substantially similar to that attached hereto as **Exhibit “A”**.

Section 2. That the Mayor or his designee, on behalf of the City, is authorized pursuant to Article 1, Section 1-102(c)(7) of the City Code of Ordinances to accept the lease of the Donated Portion of the Premises in support of WEI for a term of seven (7) years.

Section 3. That during the term of the Lease Agreement, and subject to annual appropriation, the City is authorized pay base rent starting at \$14.50 per rsf on the Rental Portion, with such payments thereafter increasing annually at the rate of three percent (3%) over the previous year's base rent.

Section 4. That during the term of the Lease Agreement, and subject to annual appropriation, the City is authorized to pay its pro rata share of operating expenses on the Rental Portion, estimated at \$10 to \$12 per rsf and costs as provided in the Lease Agreement.

Section 5. That all such rental payments and operating expenses shall be charged to and paid from fund or account 1001.040201.5212001 (WOMEN'S ENTREPRENEURIAL).

Section 6. That the City's Office of Enterprise Assets Management is authorized to conduct tenant build-out of the Premises at a cost not to exceed Two Hundred Fifty Thousand and No/100ths Dollars (\$250,000.00) to be paid to be paid to Monumental Immanuel Group, Inc., a Joint Venture, under FC-6836-C, Citywide Managing General Contractor Services contract, with all such payments and expenses to be charged to and paid from fund or account 1001.040201.5212001.1320000.

Section 7. That the City is authorized to pay Colliers International – Atlanta, Inc. a construction coordination fee not to exceed One Thousand Five Hundred and No/100ths Dollars (\$1,500.00) as provided in the Lease Agreement, with such payment to be charged to and paid from fund or account 1001.040201.5212001.1320000.

Section 8. That the Mayor or his designee, on behalf of the City, is authorized to enter into a License Agreement with each participant of WEI to use the Premises for a term of fifteen (15) months, in form substantially similar to that attached hereto as **Exhibit "B"**.

Section 9. That the competitive source selection requirements of Chapter 2, Article X, Division 14, Subdivision II, Section 2-1546 of the Procurement and Real Estate Code of the City of Atlanta Code of Ordinances is hereby waived to the extent of any conflict with this Ordinance.

Section 10. That the competitive source selection requirements of Chapter 2, Article X, Division 4, Section 2-1187 of the Procurement and Real Estate Code of the City of Atlanta Code of Ordinances is hereby waived to the extent of any conflict with this Ordinance.

Section 11. That the Lease Agreement and the License Agreements shall not become binding upon the City, and the City will incur no obligation or liability under the same, until they have been approved by the City Attorney as to form, executed by the Mayor or his designee, attested by the Municipal Clerk, and delivered to the contracting parties.

Section 12. That all ordinances or parts of ordinances in conflict with this Ordinance are hereby waived to the extent of the conflict only.

**Exhibit “A”
Lease Agreement**

Exhibit “B”
License Agreement