



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item Meeting of January 26, 2008

DATE: January 3, 2008

SUBJECT: Approval of a Deed of Lease between The County Board of Arlington County, Virginia, as Landlord and Northern Virginia Family Service, Inc., as Tenant, at 1801 N. George Mason Dr., Arlington, Virginia (RPC #09016052).

C. M. RECOMMENDATIONS:

1. Approve the attached Lease between The County Board of Arlington County, Virginia and Northern Virginia Family Service, Inc. ("NVFS"), at 1801 North George Mason Drive, Arlington, Virginia (RPC #09016052).
2. Authorize the Real Estate Bureau Chief, or his designee, to execute the Lease and all related documents on behalf of the County Board, subject to approval as to form by the County Attorney.

ISSUE: As part of the lease approval process, the County Board is being requested to approve and authorize the execution of the attached Lease.

SUMMARY: Following County Board approval and execution of the Lease, NVFS will occupy the space at 1801 North George Mason Drive to operate the Head Start Program and other related programs.

BACKGROUND: The primary purpose of this Lease is to permit NVFS to operate the Head Start Program, and other related programs, to empower those individuals and families, with limited financial and personal resources, to improve their education. The Head Start Program is more fully described as federally funded programs which provide education to children during the school day.

DISCUSSION: The attached Lease has been structured to provide a commercially viable agreement to protect the County's rights and needs as a local government and to allow NVFS to occupy 11,507 square feet of the building located at 1801 North George Mason Drive, and approximately 9,900 square feet of land for a playground. Some of the pertinent provisions of the Lease are as follows:

- The Lease term commences on February 1, 2008.

County Manager: _____
County Attorney: _____
Staff: Linda DePersis, DES, Real Estate Bureau and Patricia Durham, DHS

- The initial term consists of 10 years. However, NVFS has the right to renew the Lease for 5 additional terms of 5 years each, by providing the Landlord with a 90-day prior written notice.
- Either party has the right to terminate the Lease upon serving a 180-day prior written notice to the other party.
- Rent payments commence upon the first day of the month following receipt of the Certificate of Occupancy. In order to make Base Rent affordable for NVFS, if the Certificate of Occupancy is received on or before March 31, 2008, then Base Rent is \$9.50 per square foot for the period until May 1, 2008 when the rent will increase to \$14.60 per square foot through June 30, 2009. Thereafter, if the Certificate of Occupancy is received on or after April 1, 2008, NVFS shall pay \$14.60 per square foot through June 30, 2009. Since there are no pass throughs for operating expenses, Base Rent will increase by 5 percent per square foot per annum on July 1, 2009, and on each subsequent anniversary thereafter Base Rent shall be increased by 5 percent per annum.
- The County, at its sole cost and expense, shall provide custodial services.
- The County, at its sole cost and expense, shall maintain the Premises.
- The County shall supply water, sewage, and electricity to the Premises at no additional cost to NVFS.

FISCAL IMPACT: If the Lease is approved and executed on behalf of the County Board, the maximum amount of revenue received in FY 2008 is \$46,220 if Northern Virginia Family Service, Inc. can occupy the premises by 03/01/2008. The lease revenue received in FY 2008 for this facility will be used to offset the net tax support of the County.