

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **11 a.m. Monday**. Contact the Mayor's Legislative team with questions

Date of Request: 5/8/2023

Please mark one: ☐ Bill Request or ☒ Resolution Request

1. Type of Request:

- ☒ Contract/Grant Agreement ☐ Intergovernmental Agreement (IGA) ☐ Rezoning/Text Amendment
☐ Dedication/Vacation ☐ Appropriation/Supplemental ☐ DRMC Change
☐ Other:

2. Title: (Start with *approves*, *amends*, *dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Approves a Lease Agreement with BOP Republic Plaza I LLC for office space located at 370 17th Street, Denver, Colorado.

3. Requesting Agency: Department of Finance

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Lisa Lumley	Name: Josh Rosenblum
Email: Lisa.Lumley@denvergov.org	Email: Joshua.Rosenblum@denvergov.org

5. General description or background of proposed request. Attach executive summary if more space needed:

See Executive Summary

6. City Attorney assigned to this request (if applicable):

Johna Varty

7. City Council District:

District 9

8. **For all contracts, fill out and submit accompanying Key Contract Terms worksheet**

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

\Key Contract Terms

Type of Contract: (e.g. Professional Services > \$500K; IGA/Grant Agreement, Sale or Lease of Real Property):
Lease Agreement

Vendor/Contractor Name: BOP Republic Plaza I LLC

Contract control number: FINAN 202368122-00

Location: 370 17th Street, Denver, Colorado

Is this a new contract? ☒ Yes ☐ No **Is this an Amendment?** ☐ Yes ☐ No **If yes, how many?** _____

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):

156 months commencing approximately June 1, 2023

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount</i> (A)	<i>Additional Funds</i> (B)	<i>Total Contract Amount</i> (A+B)
\$49,919,154.66		\$49,919,154.66

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
Approx. 6/1/2023		Approx. 12/31/2036

Scope of work:

Lease of approximately 73,924 square feet.

Was this contractor selected by competitive process? Yes **If not, why not?**

Has this contractor provided these services to the City before? ☐ Yes ☒ No

Source of funds: General Fund

Is this contract subject to: ☐ W/MBE ☐ DBE ☐ SBE ☐ XO101 ☐ ACDBE ☐ N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts):

Who are the subcontractors to this contract?

N/A

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EXECUTIVE SUMMARY

In 2018, Real Estate with DOTI engaged a consultant to begin a workplace study of the Webb Building with the intent of maximizing efficient use of the workspace. Due to the pandemic and new hybrid workplace guidelines, we reengaged with our consultants in 2021 to update the workplace study to reflect a hybrid work environment. Important assumptions included a plan to bring Denver Post Building employees back into the Webb Building at the expiration of each sublease term.

The Webb Building cannot accommodate all current FTEs, even in a shared hybrid environment due to the limitation of workstations. Additionally, when interviewing all impacted agencies and calculating conservative growth counts based upon past growth and known future projects, it was determined the City will need an additional 600 seats by 2027.

The District Attorney's Office (DA) has need for new office space construction to hire approved FTEs. To accommodate the DA's office intensive buildout requirements, the City would need to move multiple agencies around the building and out of the Webb Building into leased space. Including limited growth projections, the DA would occupy more than approximately 20% of the Webb Building.

In 2022, Real Estate met with the District Attorney to discuss the DA relocating to leased space. Understanding the DA's key requirements, Real Estate initiate a Request for Proposal to office buildings with large blocks of space within a specific geographic area which met DA guidelines for distance to the courthouses. After receiving proposals, Republic Plaza was selected based upon the following terms:

- very favorable economic terms, including one-year free rent
- 73,924 square feet
- turnkey tenant improvement with ability to quickly deliver the finished space which includes all furniture
- two options to extend for five years each
- options to expand
- proximity to the courthouses

Relocating the DA into leased space allows for bringing the Denver Post Building employees and key City services back into the Webb Building by the end of the sublease terms.

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