



Legislation Text

File #: 23-0589, Version: 1

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 5-15-2023

**Requesting Agency: Finance
Division:**

**Subject Matter Expert Name: Lisa Lumley
Email Address: Lisa.Lumley@denvergov.org
Phone Number:**

Item Title & Description:

(Do not delete the following instructions)

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

A resolution approving a proposed Agreement between the City and County of Denver and BOP Republic Plaza I LLC for the District Attorney's Office to use approximately 73,924 square feet of office space at 370 17th Street in Council District 9.

Approves a lease agreement with BOP Republic Plaza I LLC for \$49,919,154.66 and through 12-31-2036 for the District Attorney's Office to use approximately 73,924 square feet of office space at 370 17th Street in Council District 9 (FINAN 202368122-00). The last regularly scheduled Council meeting within the 30-day review period is on 6-20-2023. The Committee approved filing this item at its meeting on 5-16-2023.

Affected Council District(s) or citywide? 9

Contract Control Number: FINAN 202368122-00

Vendor/Contractor Name (including any "DBA"): BOP Republic Plaza I LLC

**Type and Scope of services to be performed:
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.

Location (if applicable): 370 17th Street, Denver, Colorado

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts): N/A

Are WBE/MBE/DBE goals met (if applicable)?

Is the contract new/a renewal/extension or amendment?

New

Was this contractor selected by competitive process or sole source?

Comp.

For New contracts

Term of initial contract:

156 months commencing approximately June 1, 2023

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?
Term of any renewals (i.e. 1 year each):

Cost of initial contract term:

\$49,919,154.66

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?

If length changing

What was the length of the term of the original contract?

What is the length of the extension/renewal?

What is the revised total term of the contract?

If cost changing

What was the original value of the entire contract prior to this proposed change?

What is the value of the proposed change?

What is the new/revised total value including change?

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)