

RESOLUTION AUTHORIZING LEASE AGREEMENT FOR EMERGING WORKFORCE
CENTER AND ADMINISTRATIVE OFFICES IN AN AMOUNT OF \$99,128.76 ANNUALLY
FOR A PERIOD OF SEVEN YEARS IN THE AMOUNT OF \$151,741.57 FOR
UPFITS TO INTERIOR

WHEREAS, the Workforce Development Department serves as the administrative entity for the GuilfordWorks Workforce Development Board (WDB) to provide services under the Workforce Innovation and Opportunity Act (WIOA);

WHEREAS, the GuilfordWorks Workforce Development Board (WDB) has statutory responsibility for oversight of publicly funded workforce delivery systems for all locations in Guilford County under the Workforce Innovation and Opportunity Act (WIOA);

WHEREAS, there are currently two (2) workforce service locations in Greensboro funded by US Department of Labor funds administered by the City, including two NCWorks Career Centers (both of which currently houses the state employment service), and that Sections 121 and 303 of the new Workforce Innovation and Opportunity Act (WIOA) require that state employment service offices be co-located with workforce career centers;

WHEREAS, the GuilfordWorks Workforce Development Board identified a need to target workforce development services to Youth and subsequently voted to open a standalone Emerging Workforce Center in downtown Greensboro, for the purposes of providing employment and training services to young adult residents between 16-24 years of age;

WHEREAS, the term of the lease for suites located at 301 Greene Street commenced on January 1, 2022 and shall end at 11:59 p.m. on December 31, 2028;

WHEREAS, the location has convenient public transportation and that it is the WDB's intention to remain in the building for a minimum of seven years to realize all cost savings;

WHEREAS, the property owner, SPL-GSP, LLC has proposed to renovate the entire interior space of the building to meet WDB specifications for a career center and administrative office and lease agreement states that the landlord would complete improvements to the space, at its costs, not to exceed \$12.50/sf (\$70,125);

WHEREAS, the lease further states that the landlord agrees to fund and amortize additional improvements above \$12.50/sf at 7% over the term of the lease (not to exceed an additional \$200,000); this is to be billed as "additional rent", monthly;

WHEREAS, the landlord provided a payoff amount of \$151,741.57 for the total upfit;

WHEREAS, WDB has determined that it has enough funding available to pay the total cost of the renovations up front, opposed to amortizing it over the course of the term of the lease; consequently resulting in future saving due to not paying interest on the amortized cost;

WHEREAS, it is estimated that funding for the upfit cost is budgeted in the FY 2022-23 Workforce Innovation and Opportunity Act fund accounts and that no General Revenue funds are requested; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the City Manager is authorized to negotiate and execute a lease agreement with SPL-GSP, LLC. for office space within 301 S. Greene Street, Suites 100, 200 and 201, Greensboro, NC in the amount of \$99,128.76 annually for a period of seven (7) years with an option to terminate after seven years and to authorize a one-time payment of \$151,741.57 for upfits.