

**BOARD OF TRUSTEES
UNIVERSITY OF THE DISTRICT OF COLUMBIA
UDC RESOLUTION NO. 2015-36**

**SUBJECT: APPROVAL OF SHADD LEASE AGREEMENT BETWEEN
THE UNIVERSITY AND 5601 EAST CAPITOL, LLC**

WHEREAS, pursuant to 8B DCMR §2100.1, the President of the University, subject to Board approval, is authorized to enter into real estate lease agreements with any person, Partnership, or other entity; and

WHEREAS, the District of Columbia, through the Department of General Services (“DGS”), entered into a Ground Lease Agreement, as landlord, with 5601 East Capitol LLC, as tenant, leasing that certain building containing approximately 72,100 square feet located at 5601 East Capitol St, S.E., Washington, DC 20019 (the “Property”); and

WHEREAS, certain workforce development programs of the University have been operating at the Property in recent years under an agreement with DGS, and the University desires to continue operating workforce development programs at the Property under a sub-leasing arrangement with 5601 East Capitol, LLC, as Grantor (herein, “Landlord”), and the University, as Grantee (herein, “Tenant”); and

WHEREAS, the University proposes to lease approximately 13,200 square feet of space for classroom, administration and supportive uses at the Property; and


WHEREAS, the proposed use agreement includes the following key terms:

- **Space**: The UDC Premises (as defined in the Agreement) will consist of approximately 13,200 square feet on the second floor of the Property for all University programs and related uses;
- **Usage Fee (i.e., rent)**: The University as Tenant will pay \$70,000 for FY 2015, the first lease year, then shall pay \$160,000 per year for fiscal years 2016 through 2019, or \$12 per square foot.
- The Usage Fee is inclusive of all costs for rent, utilities (gas, water, electricity, and trash removal), building engineering, maintenance and repairs, snow removal, pest control. The Usage Fee does not cover the costs for security service.
- **Term**: No more than four (4) terms of one (1) year each, with the last term ending no later than June 30, 2019.

NOW THEREFORE, BE IT RESOLVED, that the Board approves the proposed Lease Agreement and authorizes the President to take all necessary actions to finalize and execute the lease amendment.

Approved by the Board of Trustees

December 8, 2015


Elaine A. Crider
Chairperson of the Board