Agenda Item 8-F
Action Item

To: Chairman Skinner and the VRE Operations Board

From: Doug Allen

Date: May 20, 2016

Re: Authorization to Execute a Lease for Additional Office Space

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a lease for 590 square feet of office space located on the third floor of 1500 King Street. The office space is owned by the Society of General Internal Medicine (SGIM). The lease will be for an initial annual rate of $19,200 and a total amount not to exceed $57,600 for the initial thirty-six (36) month term. Two one-year options for renewal are included in the proposed lease.

Background:

VRE needs additional space for the following reasons:

- VRE Headquarters at 1500 King Street is fully occupied
- The planned expansion of the Communication Room to accommodate customer service and security will reduce existing office space
- There is a need for additional meeting and storage space

An opportunity to lease space on the third floor of the 1500 King Street building has recently been presented and would provide the space to fulfill the needs outlined above. Its proximity to VRE’s Headquarters is an important consideration for maintaining staff efficiency, cohesion and coordination.
The initial term of the lease is three years at an annual rate of $19,200, with two one-year options for renewal if necessary. The owners have agreed to allow us to renovate the space to suit our needs and will provide a carpeting and paint allowance.

VRE will incur some additional expenses to renovate the space, which will include one-time costs for furnishings, communication and IT equipment, estimated to be approximately $10,000. These costs are included in the proposed amended FY 2017 operating budget.

**Fiscal Impact:**

Funding for the lease is provided in the proposed amended FY 2017 Operating budget and will be included in subsequent budgets on an annual basis.
Virginia Railway Express  
Operations Board  

Resolution  
8F-05-2016  

Authorization to Execute a Lease for Additional Office Space  

WHEREAS, VRE has expanded beyond the size of its current Headquarters at 1500 King Street; and,  

WHEREAS, accommodating VRE growth is critical to continuing its business activities in an efficient and timely manner; and,  

WHEREAS, space has become available to lease on the third floor of the 1500 King Street building directly above VRE’s current Headquarters;  

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a lease with the Society of General Internal Medicine (SGIM) for 590 square feet of office space at 1500 King Street, Suite 302, in an amount not to exceed $57,600 for the initial period of thirty-six (36) months.  

Approved this 20th Day of May 2016  

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Gary Skinner  
Chairman  

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Maureen Caddigan  
Secretary