CITY OF EL PASO, TEXAS AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Economic & International Development Department

AGENDA DATE: January 12, 2015

CONTACT PERSON NAME AND PHONE NUMBER:

Memo Sotomayor (Real Estate Manager) 915-212-1572 Jay Banasiak (Sun Metro Director) 915-212-3301

DISTRICT(S) AFFECTED: District 8

STRATEGIC GOAL: Goal 1 - Create an Environment Conducive to Strong Sustainable Economic Development

SUBJECT:

That the City Manager be authorized to send notice terminating the November 18, 2014 Glory Road Transit Terminal Retail Lease Agreement between the City of El Paso and Sumatra Hookah Lounge LLC, Inc. for the premises at 100 Glory Road, Suite 100, El Paso, El Paso County, Texas.

BACKGROUND / DISCUSSION:

The City constructed a retail space at the Glory Road Transit Terminal, also known as GRTT, at 100 Glory Rd. There were multiple goals for these retails spaces. One goal was to create walkable streets with active retail storefronts. Another was to create a non-tax revenue stream to the City and to achieve the highest and best use of the property. The City marketed the space and negotiated a lease agreement to rent the space out to an existing business that was seeking to expand its operations. Due to circumstances outside of our control, the Tenant was unable to fulfill their responsibilities to occupy the space. This is a formal motion to terminate the existing Lease, so that staff may fully market the space and find a suitable tenant for the property.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one? Yes, November 18, 2014.

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

N/A

BOARD / COMMISSION ACTION: N/A

DEPARTMENT HEAD:

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(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO, TEXAS:

That the City Manager be authorized to send notice terminating the November 18, 2014 Glory Road Transit Terminal Retail Lease Agreement between the City of El Paso and Sumatra Hookah Lounge LLC, Inc. for the premises at 100 Glory Road, Suite 100, El Paso, El Paso County, Texas.

ADOPTED THIS _____ DAY OF _____, 2015.

CITY OF EL PASO

Oscar Leeser Mayor

ATTEST:

Richarda Duffy Momsen City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Theresa Cullen Deputy City Attorney Cary Westin, Director Economic & International Development

Jay Banasiak, Director Mass Transit Department