

CITY CLERK DEPT.

2016 JAN -7 PM 3:37

RESOLUTION

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

The City Manager is authorized to execute a Bus Maintenance Facility Lease Agreement between the CITY OF EL PASO ("Landlord) and GREYHOUND LINES, INC. ("Tenant") for a portion of the Sun Metro Site and Building at 700A San Francisco Avenue, El Paso, Texas, in accordance with the "Proposed Term Sheet For Lease Of Bus Maintenance Facilities At 700A San Francisco Ave, El Paso, Texas" attached to this Resolution as Exhibit "A" and in form and substance approved by the City Attorney. The City Manager is further authorized to sign any and all additional documents approved by the City Attorney necessary to consummate the lease, to make all necessary and appropriate budget transfers and to appropriate necessary funds.

ADOPTED this _____ day of _____, 2016

CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Theresa Cullen
Deputy City Attorney

APPROVED AS TO CONTENT:



Cary Westin, Director
Economic & International Development

Jay Banasiak, Director
Mass Transit Department

EXHIBIT "A"
PROPOSED TERM SHEET
FOR
LEASE OF BUS MAINTENANCE FACILITIES
AT
700A SAN FRANCISCO AVE, EL PASO, TEXAS

PARTIES	<u>Landlord</u> : City of El Paso, a political subdivision of the State of Texas ("City") 300 N. Campbell, El Paso, Texas 75201
	<u>Tenant</u> : Greyhound Lines, Inc., a Delaware corporation ("Greyhound") 305 N. Paul St., Dallas, Texas, 75201
PROPOSED TRANSACTION	<p>City's bus maintenance facility, located at 700A San Francisco Avenue ("City Maintenance Facility"), used by Sun Metro/First Transit, has space available that could be leased</p> <p>In order for City to purchase the existing bus maintenance facility owned by Greyhound ("Greyhound Property"), Greyhound must relocate</p> <p>Greyhound will relocate its maintenance operations to the City Maintenance Facility as a tenant</p> <p>This transaction makes the Greyhound Property, located in the museum district of downtown El Paso, available for the proposed Children's Museum</p>
LEASE TERM	<p>10 year initial term with three 5-year renewal options at terms negotiated by the parties</p> <p>Rent to be recalculated for each extension for current market rates</p>
LEASED FACILITIES	Dedicated and common space in City Maintenance Facility (see <u>Exhibit A</u>)
LEASED FACILITIES (DEDICATED SPACE)	<p>15,832 sq ft of dedicated space in Leased Facilities, including the following:</p> <p>6,750 sq ft of Covered and Interior Bus Space</p> <ul style="list-style-type: none">• 5 Dedicated Maintenance Bays <p>8,862 sq ft of Uncovered, Exterior Space</p> <ul style="list-style-type: none">• 3 Dedicated Parking Lanes for 15 buses, uncovered <p>220 sq ft for Two Person Office</p> <p>Underground storage tank</p> <ul style="list-style-type: none">• 1 dedicated underground 48,000 gallon diesel fuel tank (not calculated in sq ft) <p><i>Square footage amounts to be verified</i></p>

LEASED FACILITIES (COMMON SPACE)	<p>5,364 sq ft of common space:</p> <ul style="list-style-type: none"> • Stairwells and parking lot are not included in the total common square footage <p>1,935 sq ft of Set CAM space for shared fuel and bus wash areas, including location for Greyhound sanitary hopper</p> <p>10 unassigned car parking spaces</p> <p><i>Square footage amounts to be verified</i></p>
LEASE AMOUNT	<p>Annual Base Rent (dedicated space): \$91,324</p> <p>Common Space Rent: \$13,410</p> <p>Set CAM Rent (Washer): \$9,675</p> <p>Total Annual Rent Payment: \$114,409 (\$9,534.08 per month)</p> <p>Notes on Rent:</p> <ul style="list-style-type: none"> • Base Rent and Set CAM Rent are fixed for the initial term of the lease • If extensions are implemented, Rent will be adjusted to reflect then-current market rates as determined by the City • Utilities to be paid separately; they are not included in rent calculation <p><i>Rental amounts to be adjusted based upon verification of square footage amounts</i></p>
PREPARATION FOR LEASE	<p>Greyhound to perform modifications prior to occupancy at Greyhound's expense</p> <ul style="list-style-type: none"> • any site improvements desired at City Maintenance Facility site • Installation and maintenance of a sanitary hopper
SHARED BUS WASH BAY PROPOSAL	<p>The City will remove the existing two washers and install a new, modern washer to be shared by both tenants; Sun Metro will have evening/night washing priority for 30-35 buses each evening</p> <p>Washes/water will be metered and billed separately at a pass-through rate</p>
SHARED FUEL TANK PROPOSAL	<p>For portion of rent paid by Greyhound for an underground tank, City will provide an empty, compliant diesel fuel installation ready for use to Greyhound. The tank will belong to the City and the City will undertake all regulatory compliance related to the tank.</p> <p>Greyhound will supply diesel fuel in compliance with state and federal regulations. Sun Metro anticipates using approximately 350 gallons of diesel fuel per month and will reimburse Greyhound at its costs under a separate fuel agreement.</p>

AD VALOREM TAXES If EPCAD were to determine that Greyhound's lease created a taxable interest in the site, Greyhound will be responsible for taxes assessed on its portion of the shared premises.

APPROVALS City/Transit Board Approval: January 12, 2016
 Greyhound Board Approval: January 19, 2016

Exhibit A**El Paso TX – Building Plan (Revised)**