

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

DEPARTMENT: Economic and International Development

AGENDA DATE: Consent: February 5, 2019

CONTACT PERSON: Elizabeth Triggs, (915) 212-1619
TriggsEK@elpasotexas.gov

DISTRICT(S) AFFECTED: 8

SUBJECT:

A resolution that the City Manager be authorized to sign an Estoppel Certificate, and any additional documents required by the lease dated February 15, 2011, by and between the City of El Paso and 416 Stanton Investment Partners, LLC for the El Paso Fire Department's administrative use at 425 N. Kansas, El Paso.

BACKGROUND/DISCUSSION:

On February 15, 2011, the City of El Paso entered into a lease agreement with Paso del Norte Investment Property, L.P. for the El Paso Fire Department's administrative use at 425 N. Kansas St., El Paso, Texas and specifically, floors 2 and 3 of the building. On December 3, 2015, the City exercised its lease option to extend the term of the lease until March 16, 2021. The property was later sold and the lease assigned to 416 Stanton Investment Partners, LLC which is now requesting that the City provide an estoppel certificate pursuant to the February 15, 2011 lease. The purpose of the estoppel certificate is to certify that certain facts are correct as they relate to the existing lease, there are no defaults, and that rent is paid to a certain date.

PRIOR COUNCIL ACTION:

See above.

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD/COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:


For: Jessica Herrera, Director
Economic & International Development

RESOLUTION

WHEREAS, on February 15, 2011, the City of El Paso entered into a lease with Paso del Norte Investment, Property, L.P. for the El Paso Fire Department's administrative use at 425 N. Kansas St., El Paso, Texas; and

WHEREAS, on December 3, 2015, the City of El Paso exercised its lease option to extend the term of the lease until March 16, 2021; and

WHEREAS, on October 31, 2017, Paso del Norte Investment Property, L.P. sold 425 N. Kansas and assigned various building leases, including the El Paso Fire Department's lease, to Stanton Investment Partners, LLC; and

WHEREAS, 416 Stanton Investment Partners, LLC is requesting that the City provide an estoppel certificate pursuant to the February 15, 2011 lease for 425 N. Kansas St., El Paso, Texas;

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

That the City Manager be authorized to sign an Estoppel Certificate, and any additional documents required by the lease dated February 15, 2011, by and between the City of El Paso and 416 Stanton Investment Partners, LLC for the El Paso Fire Department's administrative use at 425 N. Kansas, El Paso.

APPROVED this ____ day of _____, 2019.

THE CITY OF EL PASO

Dee Margo
Mayor

ATTEST:

Laura D. Prine
City Clerk

APPROVED AS TO FORM:



Ana M. Schumacher
Assistant City Attorney

APPROVED AS TO CONTENT:



for Jessica L. Herrera, Director
Economic & International Development



Mario M. D'Agostino, Chief
Fire Department

COMMERCIAL TENANT ESTOPPEL CERTIFICATE

To: Nusenda Federal Credit Union

- A. This estoppel certificate concerns the lease described below:

Landlord: **416 STANTON INVESTMENT PARTNERS, LLC**

Tenant: **CITY OF EL PASO**

Leased Premises: Floors 2 and 3, each consisting of approximately 8,275 square feet and an approximately 2,745 square foot portion of the Fifth Floor of the building located at 425 N. Kansas, El Paso, Texas 79901.

Effective Date of Lease: February 15, 2011

- B. Tenant certifies that:

- (1) A true, correct and complete copy of the Lease, along with all amendments or other modifications thereto, is attached hereto as Schedule 1;
- (2) The Lease (i) has been duly authorized and executed by Tenant, (ii) is in full force and effect, (iii) has not been modified, supplemented, or amended except as set forth on Schedule 1 attached hereto, and (iv) constitutes the entire agreement between Landlord and Tenant concerning the Leased Premises;
- (3) Tenant has accepted, is in sole possession of and is occupying the Leased Premises;
- (4) The Lease commenced on March 17, 2011, rental payments commenced on March 17, 2011, and the current term of the Lease expires on March 16, 2021;
- (5) The base monthly rent to be paid by Tenant through the end of the Lease is as follows:

Lease Year	Monthly Rent
Mar. 2016 – Mar. 2017	\$19,437.45
Apr. 2017 – Mar. 2018	\$19,631.82
Apr. 2018 – Mar. 2019	\$19,828.14
Apr. 2019 – Mar. 2020	\$20,026.42
Apr. 2020 – Mar. 2021	\$20,226.68

- (6) The current additional charges payable by Tenant are as follows: None;
- (7) The next rent payment is due on February 1, 2019;
- (8) Tenant has not paid Landlord any rentals in advance except as follows: None;

- (9) Tenant has fully paid rent to and including the month of: January, 2019;
- (10) Tenant has not paid a security or other deposit with respect to the Lease except as follows: None;
- (11) Tenant has no ownership interest in the property in which the Leased Premises are located except as follows: None;
- (12) Tenant has no option or right to renew the Lease or expand the Leased Premises except as follows: Two, 60-month renewal terms, provided that written notice is given to Landlord of such intention to extend the term of the Lease 180 days prior to the expiration of the current term;
- (13) Tenant has no right of first refusal or option to purchase all or any part of the Leased Premises or the property related thereto except as follows: None;
- (14) Tenant has not subleased all or any part of the Leased Premises, assigned the Lease, or otherwise transferred its interest in the Lease or the Leased Premises except as follows: N/A;
- (15) Landlord has fully performed all of its obligations under the Lease, is not in default under the terms of the Lease, and to the best knowledge of Tenant, no events have occurred which with the passage of time or giving of notice, or both, would constitute a default by Landlord under the Lease except as follows: N/A;
- (16) Tenant does not claim any defenses, offsets, concessions, bonuses, rebates, free months' rental, or credits against any rents payable under the Lease except as follows: None;
- (17) Tenant is not subject of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution, or liquidation proceeding, and, to the best knowledge of Tenant, no such proceedings are contemplated or threatened;
- (18) Tenant has never permitted, and will not permit, the generation, treatment, storage, or disposal of any hazardous substance as defined under federal, state, or local law on the Leased Premises or the property related thereto;
- (19) Any construction work by Tenant with respect to the Leased Premises is completed, and Tenant has paid all contractors and suppliers in full for all labor and materials and other services required to be paid for by Tenant in connection with Tenant's construction work in the Leased Premises so that no lien by reason thereof may attach to Tenant's leasehold estate or the Landlord's interest in the Leased Premises, the building within which the foregoing are a part, or the property related thereto;

- (20) Any construction, build-out improvements, alterations, additions, or repairs to the Leased Premises required to be performed by Landlord under the Lease have been fully completed in accordance with the terms of the Lease, except as set forth below: None;
- (21) Tenant acknowledges that Nusenda Federal Credit Union is contemplation making a loan secured by an assignment of the Lease. Tenant acknowledges that Nusenda Federal Credit Union is determining whether to make the loan based on the statements herein; and
- (22) The person signing this certificate on behalf of the Tenant is fully authorized to do so.

IN WITNESS WHEREOF, Tenant has executed this Commercial Tenant Estoppel certificate to be effective as of the _____ day of _____ 2019.

(Signatures on following page.)

CITY OF EL PASO:

Tomás González
City Manager

APPROVED AS TO FORM:

Ana M. Schumacher
Assistant City Attorney

APPROVED AS TO CONTENT:

Hbl. Jessica L. Herrera, Director
Economic & International Development

Mario M. D'Agostino, Chief
Fire Department

ACKNOWLEDGEMENT

THE STATE OF TEXAS §
§
COUNTY OF EL PASO §

This instrument was acknowledged before me on this ____ day of _____,
2019, by Tomás González as City Manager of the City of El Paso.

My Commission Expires

Notary Public, State of Texas