

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

DEPARTMENT: Aviation

AGENDA DATE: March 17, 2015

CONTACT PERSON/PHONE: Monica Lombraña, A.A.E. -780-4793

DISTRICT(S) AFFECTED: All

CITY STRATEGIC GOAL #1:

Create an Environment Conducive to Strong, Sustainable Economic Development.

SUBJECT:

Resolution authorizing the City Manager to sign a First Amendment to the Industrial Site Lease by and between the City of El Paso and Airport Park-A-Lot El Paso LLC, for the following described property:

Lots 2, 3 and 4, Block 1A, El Paso International Airport Tracts, Replat of Unit 4, City of El Paso, El Paso County, Texas, commonly known and numbered as 6440 Airport Road, El Paso, Texas.

This allows Airport Park-A-Lot to operate for a one year trial a valet pickup operation at the Airport Terminal for a monthly rate of \$100.

BACKGROUND / DISCUSSION:

The Industrial Site Lease with Airport Park-A-Lot, LLC expires February 28, 2042, with two five year options to renew at 8% of the then Fair Market Value. The current annual ground rental is \$111,622.78 (\$0.5998/SF). Rent increases every five years based upon the increase in CPI-U. Airport Park-A-Lot operates a covered parking lot.

Valet parking is currently not available at EPIA and this provides additional customer services. Beginning September 2012 EPIA offered reserved Premium Parking in the Short Term Lot and valet parking expands the amenities available to our customers.

PRIOR COUNCIL ACTION:

- Industrial Site Lease effective February 29, 2012, with Airport Park-A- Lot LLC

AMOUNT AND SOURCE OF FUNDING:

N/A - Revenue Generating

BOARD / COMMISSION ACTION:

N/A

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

DEPARTMENT HEAD:



Monica Lombraña, A.A.E., Director of Aviation

Information copy to appropriate Deputy City Manager

RESOLUTION

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

That the City Manager be authorized to sign a First Amendment to the Industrial Site Lease by and between the City of El Paso and Airport Park-A-Lot El Paso LLC, for the following described property:

Lots 2, 3 and 4, Block 1A, El Paso International Airport Tracts, Replat of Unit 4, City of El Paso, El Paso County, Texas, commonly known and numbered as 6440 Airport Road, El Paso, Texas.

APPROVED the ____ day of _____ 2015.

CITY OF EL PASO

Oscar Leeser
Mayor


ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Marvin Foust
Assistant City Attorney

APPROVED AS TO CONTENT:



Monica Lombraña, A.A.E.
Director of Aviation

STATE OF TEXAS)
)
COUNTY OF EL PASO)

**FIRST AMENDMENT TO
INDUSTRIAL SITE LEASE**

This FIRST Amendment to the Industrial Site Lease by and between the City of El Paso, Texas (“Lessor”) and Airport Park-A-Lot El Paso LLC (“Lessee”) is made and entered into this ____ day of _____ 2015.

WHEREAS, effective February 29, 2012, Lessor and Lessee entered into an Industrial Site Lease (the “Lease”) for the following real property:

Lots 3 and 4 and a portion of Lot 2, Block 1A, El Paso International Airport Tracts, Replat of Unit 4, City of El Paso, El Paso County, Texas, containing 186,063 sq. ft. of land more or less, commonly known and numbered as 6440 Airport Road, El Paso, Texas;

WHEREAS, Lessee has requested that Lessor allow Lessee to offer, on a trial basis for a limited trial period, valet parking service at the Airport terminal under which customers will drop off their automobiles at the Terminal building and Lessee’s employees will take the vehicles to Lessee’s parking lot,

WHEREAS, Lessor allowing Lessee to offer valet parking service at the Airport terminal, on a trial basis for a limited trial period, will be of significant, material benefit to Lessor in that Lessor will have obtained data to better understand and analyze the demand and market for vehicular and parking services at the Terminal building,

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Paragraph 3.10C of the Lease is hereby amended to read as follows:

(1) Patrons utilizing the Automobile Parking Lot may arrange for these services, in advance, to be provided at the Premises described herein. The pick-up or delivery of any patron’s vehicle at or around the Airport Terminal Building is prohibited except as set forth in subparagraph (2) below.

(2) For a twelve (12) month period beginning April 1, 2015 and ending March 31, 2016 (the “Trial Period”), the drop-off of a patron’s vehicle at or around the Airport Terminal Building shall be permitted, on a trial basis, only upon the following terms and conditions (the “Valet Service”).

a. Lessee may offer a service to its patrons under which a patron departing El Paso may drop his automobile off at the EPIA Airport Terminal Building at a designated location approved by Lessor, with the auto to be immediately driven by a Lessee employee to Lessee's main location for parking until the customer's return. The Valet Service shall be only allowed for departing customers; customers returning to El Paso must utilize Lessor's now-existing procedures. Lessee may, during the Trial Period and at its sole expense, install a kiosk for this purpose at the Terminal Building in locations and according to plans and conditions approved in writing by Lessor. The kiosk shall be provided by Lessor and shall occupy a space of fifty-two (52) square feet.

b. Rental for this Valet Service shall be in addition to those rentals set forth in the Lease and shall be the amount of \$100.00 per month, paid in monthly installments, due at the beginning of each month and pro-rated for any partial month. In addition, Lessee shall provide to Lessor, no later than the 15th day of each month, the number of valet pick-ups by day for the previous month together with the times of day for each pick-up. At the end of the Trial Period, unless both Lessor and Lessee are in agreement to extend the Valet Service for a longer duration, the trial shall be considered concluded, Lessee shall cease Valet Service and the additional rental and data obligations shall cease.

c. All operations under the Valet Service shall be in accordance with the Transportation Security Administration ("TSA") Rule 1542, as amended from time to time, and related decisions of the TSA and, further, to any rules, regulations and decisions of the Director of Aviation of the El Paso International Airport, as amended from time to time; any failure to abide by either set of rules or decisions shall be an event of default of this paragraph and shall allow the Director of Aviation to terminate the Valet Service prior to the expiration of the Trial Period.

It shall be Lessee's sole obligation and responsibility to ensure that its customers follow all TSA requirements. To this end, Lessee hereby reiterates its obligation to indemnify Lessor, under Paragraph 6.05 of the Lease, from and against all claims and liabilities arising out of or related to its operations at the Airport and also hereby agrees that the definition of Premises, for the purpose of indemnifying Lessor, shall include its operations in conducting the Valet Service. By way of example and not in limitation of the foregoing, if a patron shall leave a car at the Airport Terminal Building and it shall not be immediately retrieved by a Lessee employee and taken to Lessee's main place of business and TSA shall require that the vehicle be towed, Lessee hereby agrees to, and shall hereby, indemnify Lessor against all liabilities or claims arising thereby or related thereto.

d. Upon Valet Service ceasing, whether through expiration of the Trial Period, by mutual agreement, by decision of the Director of Aviation or otherwise, Lessee shall at its sole expense remove the kiosk, return the kiosk to Lessor in its pre-existing condition, restore the location to its pre-existing condition, and the additional obligation to provide data under this paragraph shall cease; however, all insurance and indemnification obligations arising out of the Trial Period shall remain in force. After the Trial Period and upon

mutual agreement, both parties may enter into a longer-term arrangement to continue the Valet Service on terms and conditions acceptable to both.

2. Except as expressly modified herein, all other terms and conditions of the Industrial Site Lease effective February 29, 2012 shall remain in full force and effect and shall remain as written.
3. Regardless of the date executed, the Effective Date of this First Amendment to the Industrial Site Lease shall be April 1, 2015.

IN WITNESS WHEREOF, this First Amendment to the Industrial Site Lease has been approved by the parties hereto as of the dated first noted above.


LESSOR: CITY OF EL PASO

Tomás González
City Manager

APPROVED AS TO FORM:

Marvin Foust
Assistant City Attorney

APPROVED AS TO CONTENT:



Monica Lombraña, A. A. E.
Director of Aviation

ACKNOWLEDGMENT

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me on this day of _____ 2015 by Tomás González, as City Manager of the City of El Paso (Lessor).

Notary Public, State of Texas

My Commission Expires:

LESSEE: AIRPORT PARK-A-LOT EL PASO LLC

By: Fred Baker
Printed Name: FRED BAKER
Title: Pres.

ACKNOWLEDGMENT

STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me on this 24th day of February 2015 by Fred Baker as President of Airport Park-A-Lot El Paso LLC (Lessee).

Elbia Garcia

Notary Public, State of Texas

My Commission Expires:
April 28, 2018

