

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

DEPARTMENT: Aviation

AGENDA DATE: November 12, 2019

CONTACT PERSON NAME AND PHONE NUMBER: Monica Lombraña, A.A.E., Managing Director of
Aviation and International Bridges
915 212-7301

DISTRICT(S) AFFECTED: District 3

CITY STRATEGIC GOAL 1: Create an Environment Conducive to Strong, Sustainable Economic Development.

SUBJECT:

This Resolution is to authorize the City Manager to sign a Lessor's Approval of Assignment by and among the City of El Paso ("Lessor"), GIP El Paso, LLC ("Assignor") and RCR Palmas, LLC ("Assignee") for property described as a portion of Lots 1 and 11, Block 9, El Paso International Airport Tracts, commonly known as 8001 Lockheed, El Paso, Texas.

The remaining lease term is 38 years and 6 months with one (1) ten-year options. The site is 65,588.32 square feet at \$0.48 per square feet and the annual rent is \$31,482.39. All other terms and conditions remain the same.

BACKGROUND / DISCUSSION:

The current lease agreement expires May 28, 2058. If options are exercised, the expiration date is May 28, 2068.

TERM:

The effective date of the Assignment is November 12, 2019. The remaining lease term is 38 years and six months with one (1) ten-year options.

RENTAL FEES:

Land 65,588.32 SF x \$0.48 per SF = \$31,482.39 annually.

PRIOR COUNCIL ACTION:

Initial lease approved by council on May 29, 2018.

AMOUNT AND SOURCE OF FUNDING:

N/A: This is a revenue-generating item.

BOARD / COMMISSION ACTION:

N/A

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

DEPARTMENT HEAD:



Monica Lombraña, A.A.E.
Managing Director of Aviation & International Bridges

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 is authorized to sign a Lessor's Approval of the Assignment of Ground Lease, Assignment of Sublease and Assumption by and between the City of El Paso ("Lessor"), GIP El Paso, LLC ("Assignor"), and RCR Palmas, LLC ("Assignee") for the following described property:

Lots 1 and 11, Block 9, El Paso International Airport Tracts, City of El Paso, El Paso County, Texas, commonly known as 8001 Lockheed, El Paso, Texas, containing approximately 65,588.32, more or less, and being more particularly described by metes and bounds in Exhibit "A" attached hereto and made a part hereof ("Property").

Dated this ____ day of _____ 2019.


CITY OF EL PASO

Dee Margo
Mayor

ATTEST:


Laura D. Prine
City Clerk

APPROVED AS TO FORM:



Kristen Lynn Hamilton-Karam
Assistant City Attorney

APPROVED AS TO CONTENT:



Monica Lombraña, A.A.E.
Managing Director of Aviation and
International Bridges

STATE OF TEXAS §
 § LESSOR’S APPROVAL OF ASSIGNMENT
COUNTY OF EL PASO §

WHEREAS, the City of El Paso (“Lessor”) entered into a Southern Industrial Site Lease, with an Effective Date of May 29, 2018 (the “Lease”), between the Lessor and GIP El Paso, LLC, a Texas corporation (“Assignor”), for the following described property:

Lots 1 and 11, Block 9, El Paso International Airport Tracts, City of El Paso, El Paso County, Texas, commonly known as 8001 Lockheed, El Paso, Texas, containing approximately 65,588.32, more or less, and being more particularly described by metes and bounds in Exhibit “A” attached hereto and made a part hereof (“Property”);

WHEREAS, Assignor has requested the Lessor’s approval and consent to an assignment of the Lease to RCR Palmas, LLC.

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. **CONSENT TO ASSIGNMENT.** Lessor hereby approves and consents to the assignment of the Lease from Assignor to RCR Palmas, LLC (“Assignee”), on the condition that Assignee assumes and becomes liable to pay any and all sums owing or becoming due Lessor under the terms of the Lease from and after the effective date of the assignment of the Lease to Assignee, and upon the further condition that Assignee agrees to accept and abide by all the terms, covenants, and conditions of the Lease.

Assignee does hereby assume and agrees to be liable to pay any and all sums owing or becoming due Lessor under the terms of the Lease from and after the effective date of the assignment of the Lease to Assignee, and Assignee agrees to accept and abide by all the terms, covenants, and conditions of the Lease.

2. **PROOF OF INSURANCE AND INDEMNIFICATION.** Assignee has provided a certificate of insurance to evidence compliance with the insurance requirements of the Lease and expressly agrees to be bound by the indemnification provisions contained in the Lease.

3. **RELEASE.** Assignor is hereby released and discharged by Lessor from all rights, privileges, responsibilities and obligations under the Lease first arising and accruing from and after the effective date of the assignment of the Lease and Lessor and Assignee each hereby acknowledges that, as of the effective date of the assignment, Assignee enjoys all such rights and privileges and is responsible for satisfying all such obligations the same as if the Lease had originally been executed between Lessor and Assignee.

4. **SECURITY DEPOSIT.** No Security Deposit is required as a condition to this Approval.
5. **RATIFICATION OF LEASE.** Except as expressly set forth herein, no provision of this Approval alters or modifies any of the terms and conditions of the Lease, and all other terms and conditions of the Lease shall remain in full force and effect.
6. **ADDRESS FOR NOTICE.** Notices to Assignee and Assignor shall be sufficient if sent by certified mail, postage prepaid, addressed to:

ASSIGNOR: GIP El Paso, LLC
c/o Government Investment Partners, LLC
1465 Lake Shore Drive S.
Barrington, Illinois 60010
Attn: Kris Jankowski

ASSIGNEE: RCR Palmas, LLC
415 Keller Parkway
Keller, Texas 76248-2302
Attn: Jeffrey S. Ryan, Sole Member

7. **AUTHORIZED REPRESENTATIVE.** The persons signing this Lessor's Approval of Assignment on behalf of the Assignee and Assignor represent and warrant that they have the legal authority to bind the Assignee and Assignor, respectively, to the provisions of this Lessor's Approval of Assignment.
8. **NON-WAIVER.** The Lessor's Approval of Assignment hereby given by Lessor shall not end the need for Lessor's consent for any future assignments.
9. **EFFECTIVE DATE.** The Effective Date of this Lessor's Approval of Assignment will be the date this document is approved by the El Paso City Council.
10. **COUNTERPARTS.** This Lessor's Approval of Assignment may be executed in any number of counterparts, each of which shall be deemed an original for all purposes, and all of which shall constitute one and the same instrument as if all parties had signed the same signature page.


(SIGNATURES BEGIN ON THE FOLLOWING PAGE)

APPROVED THIS _____ day of _____, 2019.

LESSOR: CITY OF EL PASO


Tomás González
City Manager

APPROVED AS TO FORM:



Kristen Lynn Hamilton-Karam
Assistant City Attorney

APPROVED AS TO CONTENT:



Monica Lombrana, A.A.E.
Managing Director of Aviation and
International Bridges

LESSOR'S 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, Texas** (Lessor).

Notary Public, State of Texas

My Commission Expires:

(SIGNATURES CONTINUE ON THE FOLLOWING PAGE)

ASSIGNEE: RCR PALMAS, LLC

By: [Signature]
Jeffrey S. Ryan, Sole Member

ASSIGNEE'S ACKNOWLEDGEMENT

THE STATE OF Texas)
COUNTY OF Tarrant)

This instrument was acknowledged before me on this 31st day of October, 2019,
by Jeffrey S. Ryan, Sole Member RCR Palmas, LLC(Assignee), on behalf of said Limited
Liability Company.

[Signature]
Notary Public, State of Texas

My Commission Expires:
7/14/21

