

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

DEPARTMENT: Fire Department and Economic & International Development Department
AGENDA DATE: December 1, 2015
CONTACT PERSON NAME AND PHONE NUMBER: Luis Flores (Lead Planner) 915-485-5611
Memo Sotomayor (Real Estate Manager) 915-541-4583

DISTRICT(S) AFFECTED: All Districts
STRATEGIC GOAL: Goal 2: Set the Standard for a Safe and Secure City

SUBJECT:

That the City Manager is authorized to give notice to Paso del Norte Investment Property, L.P. exercising the option to extend the term of the lease at 425 North Kansas St., El Paso, Texas for an additional sixty (60) months, until March 16, 2021, and to sign any additional documents as needed to extend the term of the lease; and
That the City Manager is authorized to exercise the second option to extend the lease term, if needed, in accordance with the terms and conditions of the Feb. 15, 2011 lease.

BACKGROUND / DISCUSSION:

The Fire Department's administrative offices have been located at this location since 2011. The best available and economic option is for the Fire Department to execute their renewal option and remain at this location for the next five year period. The rental rate for the first year of the renewal term is \$233,249.40 with a gradual increase on an annual basis. The rental rate for the final year of the renewal option (year 10 of the lease) \$242,720.26. This represents a 1% annual increase in the rental rate.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one? Yes. February, 15 2011.

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?

This item is budgeted through the General Fund.
Fund, General Fund 1000 Department 322 Division 22110 Program P2215
Account 524000

BOARD / COMMISSION ACTION:

N/A

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

DEPARTMENT HEAD:

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

Information copy to appropriate Deputy City Manager

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 North Kansas St., El Paso, Texas;

WHEREAS, the initial term of the lease will expire on March 16, 2016;

WHEREAS, the lease provides for an extension of the lease term for two additional 60-month terms, provided written notice is given within 180 days prior to the expiration of the then current term; and

WHEREAS, the City desires to extend the lease term for an additional sixty (60) months;

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

That the City Manager is authorized to give notice to Paso del Norte Investment Property, L.P. exercising the option to extend the term of the lease at 425 North Kansas St., El Paso, Texas for an additional sixty (60) months, until March 16, 2021, and to sign any additional documents as needed to extend the term of the lease; and

That the City Manager is authorized to exercise the second option to extend the lease term, if needed, in accordance with the terms and conditions of the February 15, 2011 lease.

APPROVED AND ADOPTED this _____ day of _____, 2015.


THE CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

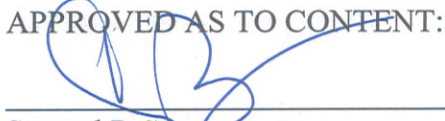
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Theresa Cullen
Deputy City Attorney

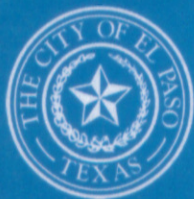
APPROVED AS TO CONTENT:



Samuel Peña
Fire Chief



Cary S. Westin, Managing Director
Economic and International Development



City Manager's Office

December ____, 2015

Mayor
Oscar Leoser

City Council

District 1
Ann Morgan Lilly

District 2
Larry Romero

District 3
Emma Acosta

District 4
Carl L. Robinson

District 5
Dr. Michiel R. Noe

District 6
Claudia Ordaz

District 7
Lily Limón

District 8
Cortney C. Niland

City Manager
Tommy Gonzalez

Paso del Norte Investment Property, L.P.
c/o Osvaldo Rodriguez
425 N. Kansas, 7th Floor
El Paso, Texas 79901

Re: Feb. 15, 2011 Lease
The City of El Paso
Fire Department's Administrative Use
425 N. Kansas

Dear Mr. Rodriguez,

Pursuant to Section 36, Additional Provisions, of the Feb. 15, 2011 Lease between The City of El Paso and Paso del Norte Investment Property, L.P. for the El Paso Fire Department's administrative use at 425 North Kansas St., El Paso, Texas ("Lease"), the City of El Paso is giving written notice of its intent to extend the term of the Lease for an additional sixty months through March 16, 2021.

As stated in the Lease, all provisions of the Lease other than rental as provided in Section 3 of the Lease shall continue in full force and effect for the extension. With the City's exercise of its right to extend the Lease, and as identified in Section 3, Rent of the Lease, the rental beginning on March 17, 2016, will be \$233,249.40 annually/ \$19,437.45 monthly.

Please return a signed copy of this letter, acknowledging that the City of El Paso has exercised its intent to extend the term of the Lease to Memo Sotomayor, Real Estate Manager, at 915-212-1572 or via email at SotomayorGR@elpasotexas.gov.

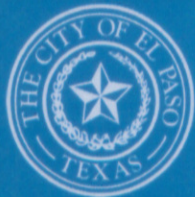
If you have any questions or comments, please contact Mr. Sotomayor.

Best regards,

Tommy Gonzalez
City Manager

Tommy Gonzalez – City Manager
City 1 | 300 N. Campbell | El Paso, Texas 79901 | (915) 212-1061
15-1006-549/472673

"Delivering Outstanding Services"



City Manager's Office

Acknowledgment of exercise of Lease extension:

Paso del Norte Investment Property, L.P.

By: _____

Print Name: _____

Title: _____

Date: _____

STATE OF TEXAS)

COUNTY OF EL PASO)

The foregoing was acknowledged before me on this ____ day of December, 2015, by _____, _____ of Paso del Norte Investment Property, L.P., a Texas limited partnership, on behalf of said limited partnership.

Notary Public in and for the State of Texas

(Seal)

Mayor
Oscar Leeser

City Council

District 1
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