

March 27, 2024

WHEREAS, on March 26, 2014, the City Council of the City of Dallas authorized a ten (10)-year lease agreement dated March 26, 2014, (the "Lease") between the City of Dallas, a Texas municipal corporation ("City"), as tenant, and Marcer Investments, LLC, a Texas limited liability company, as landlord, acting on behalf of property owner, Columbia Colson Corporation, a Texas corporation, for approximately 5,000 square feet of office space, located at 828 South Carrier Parkway, Grand Prairie, Dallas County, Texas (the "Premises") to be used by the Women, Infants and Children ("WIC") Program Services, by Resolution No. 14-0519; and

WHEREAS, Columbia Colson Corporation conveyed the property to SVEA Industrial I, LLC, a Texas limited liability company, by deed dated October 24, 2019, and Marcer Investments, LLC joined with Columbia Colson Corporation in the Assignment and Assumption of Leases to SVEA Industrial I, LLC; and

WHEREAS, SVEA Industrial I, LLC conveyed the property to SVEA DB Holdings II, LLC, a Delaware limited liability company ("Landlord") by correction deed filed February 15, 2024, effective July 19, 2021; and

WHEREAS, the Lease expires by its own terms on April 30, 2024; and

WHEREAS, the City and SVEA DB Holdings II, LLC desire to renew, extend, modify and/or amend the lease to (1) extend the term for an additional seven (7)-year term ("Extension Term"), and (2) make certain amendments to the terms as provided below.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager, upon approval as to form by the City Attorney, be and is hereby authorized to execute a First Amendment to the Lease Agreement between SVEA DB Holdings II, LLC, a Delaware limited liability company, and the City of Dallas.

SECTION 2. That the special terms and conditions of the First Amendment to the Lease Agreement are:

- (a) The term of the Lease is hereby extended for an additional for seven (7) years (the "Extension Term") beginning May 1, 2024, and ending April 30, 2031, provided however, that City and Landlord retain the right to terminate the Lease as provided elsewhere therein.
- (b) Monthly Rental Payments during the Extension Term shall be as follows (subject to annual appropriations):

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SECTION 2. (continued)

May 1, 2024 – April 30, 2025	\$ 9,479.17 per month
May 1, 2025 – April 30, 2026	\$ 9,787.50 per month
May 1, 2026 – April 30, 2027	\$10,104.17 per month
May 1, 2027 – April 30, 2028	\$10,433.33 per month
May 1, 2028 – April 30, 2029	\$10,770.83 per month
May 1, 2029 – April 30, 2030	\$11,120.83 per month
May 1, 2030 – April 30, 2031	\$11,483.33 per month

(c) The first paragraph of Section III, shall be amended and restated as follows:

City shall pay all charges for electrical and janitorial services to the Premises. City shall reimburse Landlord a pro-rata portion of the monthly standard property water consumption expenses, including water, sanitary sewer, and storm water usage, drainage fee, and other customary fees charged by the water provider within thirty (30) days after receipt of an invoice and copy of water bills from Landlord. The City's pro-rata share shall not to exceed sixty-seven and fifty-seven one hundredths percent (67.57%). Landlord shall bill the City, in accordance with City's fiscal and budget year, on a quarterly basis, as follows:

October - December	City's First quarter
January - March	City's Second quarter
April - June	City's Third quarter
July – September	City's Fourth quarter
May 2024 – June 2024	first year only
January 2031 – April 2031	final year only – extra month in quarter invoice

(d) Landlord shall make to the Premises the additional leasehold improvements ("Improvements"). City shall reimburse Landlord for the Improvements, in an amount not to exceed \$3,117.60 within thirty (30) days following receipt of Landlord's notice and invoice that the Improvements have been completed.

Landlord shall begin the Improvements to the Premises no later than April 30, 2024, and complete the Improvements to the City's satisfaction no later than May 31, 2024. Said Improvements shall be considered a part of and included in the "leasehold improvements" under the Lease and shall be performed in a good and workmanlike manner and in compliance with applicable Building Codes and shall be to the reasonable satisfaction of the City.

Landlord shall perform the following:

- (i) Landlord shall provide electrical work and connections to the Approved Sign on the façade of the Premises.

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SECTION 2. (continued)

- (e) Amend the Lease by adding Section XXVII to provide for Counterparts: Electronic Signatures.
- (f) Correct a typographical error of Section XXV., to read XXVI.
- (g) All other terms and conditions of the Lease not expressly amended hereby, shall remain in full force and effect.

SECTION 3. That the Chief Financial Officer be and is hereby authorized to draw warrants payable to SVEA DB Holdings II, LLC, or its successors and assigns on the first day of each month in advance during the Extension Term beginning May 1, 2024, in the amount specified below:

May 1, 2024 – April 30, 2025 (subject to annual appropriations)	\$ 9,479.17 per month
May 1, 2025 – April 30, 2026 (subject to annual appropriations)	\$ 9,787.50 per month
May 1, 2026 – April 30, 2027 (subject to annual appropriations)	\$10,104.17 per month
May 1, 2027 – April 30, 2028 (subject to annual appropriations)	\$10,433.33 per month
May 1, 2028 – April 30, 2029 (subject to annual appropriations)	\$10,770.83 per month
May 1, 2029 – April 30, 2030 (subject to annual appropriations)	\$11,120.83 per month
May 1, 2030 – April 30, 2031 (subject to annual appropriations)	\$11,483.33 per month

SECTION 4. That the payments will be charged as follows:

May 1, 2024 – September 30, 2024: FY 23-24 WIC Program - Women, Infants and Children Grant Fund, Fund F719, Department MGT, Unit 677B, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$9,479.17.

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SECTION 4. (continued)

October 1, 2024 – April 30, 2025: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBD, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$9,479.17.

May 1, 2025 –September 30, 2025: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBD, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$9,787.50.

October 1, 2025 – April 30, 2026: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBS, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$9,787.50.

May 1, 2026 –September 30, 2026: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBD, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$10,104.17.

October 1, 2026 – April 30, 2027: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBS, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$10,104.17.

May 1, 2027 –September 30, 2027: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBD, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$10,433.33.

October 1, 2027 – April 30, 2028: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBS, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$10,433.33.

May 1, 2028 –September 30, 2028: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBD, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$10,770.83.

October 1, 2028 – April 30, 2029: FY TBD WIC Program - Women, Infants

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SECTION 4. (continued)

and Children Grant Fund, Fund TBS, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$10,770.83.

May 1, 2029 –September 30, 2029: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBD, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$11,120.83.

October 1, 2029 – April 30, 2030: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBS, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$11,120.83.

May 1, 2030 –September 30, 2030: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBD, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$11,483.33.

October 1, 2030 – April 30, 2031: FY TBD WIC Program - Women, Infants and Children Grant Fund, Fund TBS, Department MGT, Unit TBD, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$11,483.33.

SECTION 5. That the Chief Financial Officer be and is hereby authorized to draw warrants payable to SVEA DB Holdings II, LLC, or its successors and assigns for the Additional Lease Rental for leasehold improvements to be performed and completed by the Landlord and accepted by the City, prior to May 31, 2024, in a one-time payment for a total amount not to exceed \$3,117.60, subject to annual appropriations:

May 1, 2024 – July 31, 2024:	\$3,117.60
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SECTION 6. That the payments will be charged as follows:

May 1, 2024 – June 30, 2024: FY 23-24 WIC Program - Women, Infants and Children Grant Fund, Fund F719, Department MGT, Unit 677B, Object 3330, Encumbrance/Contract No. CX-WIC-2024-00023607, Commodity 97145, Vendor VC23481, Amount \$3,117.60.

SECTION 7. That the Chief Financial Officer is hereby authorized to draw

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SECTION 7. (continued)

warrants payable to the respective electrical, gas, telephone, communications, security, janitorial companies and water consumption reimbursement to Landlord, upon receipt of a bill for such services or other applicable charges throughout the lease term.

SECTION 8. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:
TAMMY L. PALOMINO, City Attorney

BY: Molly P. Ward
Assistant City Attorney