

March 8, 2023

WHEREAS, on January 28, 2009, by Resolution 09-0312, the City Council of the City of Dallas authorized a five-year lease agreement dated February 17, 2009 (the "Lease") between the City of Dallas, a Texas municipal corporation ("City"), as tenant, and Pan Coastal Limited Partnership, a Delaware limited partnership, or its successor and assigns, ("Landlord") as landlord, for approximately 33,967 square feet of office space located on the 3rd, 4th and 5th floors of a five-story building located at 2121 Main Street, and 120 parking privileges, of which 15 were covered parking at 100 N. Central Parking Garage and 10 reserved surface parking spaces at Main Street and 95 reserved parking spaces on a surface parking lot located at Elm Street and Central Expressway, Dallas, Dallas County, Texas (the "Premises") to be used by the Capital Improvements Division of the Water Utilities Department; and

WHEREAS, on April 9, 2014, by Resolution No. 14-0602, City Council authorized the First Amendment to Lease Agreement dated April 24, 2014 to (1) extend the term for an additional four-years ("Extension Term"), (2) repair, replace or upgrade certain leasehold improvements to the Premises, (3) adjust the monthly rental rate and (4) increase the covered parking space by seven (7) at the 100 N. Central Parking Garage and reduce the surface parking from 105 to 80; and

WHEREAS, on April 11, 2018, by Resolution No. 18-0531, City Council authorized the Second Amendment to Lease Agreement dated May 14, 2018 to (1) extend the term for an additional five-years ("Extension Term"), and (2) adjust the monthly rental rate; and

WHEREAS, on September 14, 2022, by Resolution No. 2022-0011, City Manager authorized the Third Amendment to Lease Agreement, dated November 8, 2022, to (1) extend the term for an additional one-week ("Extension Term"), and (2) provide Counterparts – Electronic Signatures; and

WHEREAS, the Lease, as amended, expires by its own terms on April 30, 2023; and

WHEREAS, the parties desire to renew, extend, modify and/or amend the lease to (1) extend the term for an additional five (5) year term ("Extension Term"), (2) modify monthly rental payments, and (3) upon certain amended 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 Fourth Amendment to the Lease Agreement between Pan Coastal Limited Partnership, a Delaware limited partnership and the City of Dallas.

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

(a) The term of the Lease is hereby extended for an additional for five (5) years (the "Extension Term") beginning May 1, 2023 and ending April 30, 2028, 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):

May 1, 2023 – April 30, 2028 \$54,290.59 per month

(c) Reduce City surface parking spots by ten (10), and maintain the garage parking spaces at its current level, at no additional monthly charge to City, bringing the total reserved parking for City as follows:

- a. Surface Parking Privileges at the surface parking lot located at Elm Street and North Central expressway to seventy (70) spaces.
- b. Garage Parking Privileges at 100 N. Central Parking Garage remains at twenty-two (22) spaces.

(d) All other terms and conditions of the Lease, as amended, 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 Southstate Management Corporation, Agent for Pan Coastal Limited Partnership, or its successors and assigns on the first day of each month in advance during the Extension Term beginning May 1, 2023 in the amount specified below:

May 1, 2023 – April 30, 2028: \$54,290.59 per month
(subject to annual appropriations)

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

May 1, 2023 – September 30, 2023: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7120, Object 3330, Encumbrance/Contract No. CX-DWU-2022-00020421, Commodity 97145, Vendor 264518, Amount \$54,290.59.

October 1, 2023 – September 30, 2024: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7120, Object 3330, Encumbrance/Contract No. CX-DWU-2022-00020421, Commodity 97145, Vendor 264518, Amount \$54,290.59.

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Section 4 (continued)

October 1, 2024 – September 30, 2025: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7120, Object 3330, Encumbrance/Contract No. CX-DWU-2022-00020421, Commodity 97145, Vendor 264518, Amount \$54,290.59.

October 1, 2025 – September 30, 2026: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7120, Object 3330, Encumbrance/Contract No. CX-DWU-2022-00020421, Commodity 97145, Vendor 264518, Amount \$54,290.59.

October 1, 2026 – September 30, 2027: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7120, Object 3330, Encumbrance/Contract No. CX-DWU-2022-00020421, Commodity 97145, Vendor 264518, Amount \$54,290.59.

October 1, 2027 – April 30, 2028: Dallas Water Utilities Fund, Fund 0100, Department DWU, Unit 7120, Object 3330, Encumbrance/Contract No. CX-DWU-2022-00020421, Commodity 97145, Vendor 264518, Amount \$54,290.59.

SECTION 5. That the Chief Financial Officer is hereby authorized to draw warrants payable to the respective communication, telephone or security systems/monitoring upon receipt of a bill for such services or other applicable charges throughout the lease term.

SECTION 6. 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, Interim City Attorney

BY: 

Assistant City Attorney