

December 8, 2021

WHEREAS, on January 31, 1990, City Council authorized a ten-year lease agreement, with the right to terminate at the end of the first five-years or to continue the Lease for the remaining term dated January 31, 1990, ("Lease") between the City of Dallas, a Texas municipal corporation ("City"), as tenant, and Crow-Redbird Associates, a Texas limited partnership and Petula Associates, Ltd., an Iowa corporation, or its successor and assigns, ("Landlord") as landlord, for approximately 12.7 acres of land improved with approximately 31,050 square feet of office and classroom space and a vehicle obstacle course, located at 5310 Red Bird Center Drive ("5310 Premises"), Dallas, Dallas County, Texas to be used by the Police Training and Education Division by Resolution No. 90-0404; and

WHEREAS, on May 24, 1995, City Council authorized the City Manager to exercise the City's option to continue the Lease for the remaining five-year term by letter dated July 3, 1995 by Resolution No. 95-1899; and

WHEREAS, on June 15, 1999, the 5310 Premises was sold to Greater Dallas Realty Capital L.P., a Texas limited partnership; and

WHEREAS, on May 24, 2000, City Council authorized the Lease Extension Amendment dated May 25, 2000, to extend the lease term for an additional seven years by Resolution 00-1640; and

WHEREAS, on January 19, 2006, the 5310 Premises was sold to Cobalt Industrial REIT, a Texas real estate investment trust; and

WHEREAS, on June 13, 2007, City Council authorized an amendment dated June 22, 2007 to, i) extend the term for five-years, with two (2) five-year renewal option in favor of City; and ii) expand the lease area to include an additional area of approximately 15,680 square feet of office and classroom space located at 5610 Red Bird Center Drive, Suite 200 ("5610 Premises"), Dallas, Dallas County, Texas, which combined with 5310 Premises provided for 12.7 acres of land and a total of 46,730 square feet of office and classroom space and a vehicle obstacle course ("Premises") by Resolution No. 07-1822; and

WHEREAS, on June 27, 2012, City Council authorized the Amended and Restated Lease Agreement (the "Lease") dated July 18, 2012 to, i) provide for a ten-year term, with one (1) five-year renewal option in favor of City; and ii) expand the 5610 Premises by approximately 11,371 square feet of office, classroom and warehouse space, which combined with 5310 Premises provided for 12.7 acres of land and a total of 58,101 square feet of office, classroom and warehouse space and a vehicle obstacle course by Resolution No. 12-1727 ("Premises");

WHEREAS, on July 23, 2013, the 5310 Premises located at 5310 Red Bird Center Drive was sold to 5310 Redbird, L.P., a Delaware limited partnership; and

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WHEREAS, on July 23, 2013, the 5610 Premises located at 5610 Red Bird Center Drive was sold to 5610 Redbird, L.P., a Delaware limited partnership; and

WHEREAS, on April 27, 2017, the Premises were sold to GDI Portfolio I Redbird Acquisition, LLC, a Delaware limited liability company; and

WHEREAS, on December 19, 2019, the Premises were sold to Sealy Executive Center, L.L.C., a Georgia limited liability company; and

WHEREAS, the City wants to exercise its option to renew the term for an additional five-year term ("Option Term") 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 be and is hereby authorized to execute an **Option to Renew Letter** to an existing lease agreement with Sealy Executive Center, L.L.C., approved as to form by the City Attorney.

SECTION 2. That the special terms and conditions of the renewal option are:

- (a) The term of the Lease is hereby extended for an additional five years (the "Option Term") beginning August 1, 2022 and ending July 31, 2027, provided however, that City and Landlord retain the right to terminate the Lease as provided elsewhere therein.
- (b) The term "Basic Rental" during the Option Term shall be as follows: (subject to annual appropriations)

Basic Rental 5310 Premises:

August 1, 2022 – July 1, 2023:	\$43,815.03 per month
August 1, 2023 – July 1, 2024:	\$45,129.48 per month
August 1, 2024 – July 1, 2025:	\$46,483.36 per month
August 1, 2025 – July 1, 2026:	\$47,877.86 per month
August 1, 2026 – July 1, 2027:	\$49,314.20 per month

Basic Rental 5610 Premises:

August 1, 2022 – July 1, 2023:	\$22,176.12 per month
August 1, 2023 – July 1, 2024:	\$22,841.40 per month
August 1, 2024 – July 1, 2025:	\$23,526.64 per month
August 1, 2025 – July 1, 2026:	\$24,232.44 per month
August 1, 2026 – July 1, 2027:	\$24,959.41 per month

SECTION 2. (continued)

- (c) City shall pay to Landlord as the "Additional Rental" otherwise contemplated under the Amended and Restated Lease Agreement, a sum of money not to exceed as follows ("Annual Cap" as defined in the Lease): (subject to annual appropriations)

Additional Rental Annual Cap for 5310 Premises:

2022 Calendar Year:	\$14,544.86 per month
2023 Calendar Year:	\$14,981.21 per month
2024 Calendar Year:	\$15,430.65 per month
2025 Calendar Year:	\$15,893.57 per month
2026 Calendar Year:	\$16,370.38 per month
2027 Calendar Year:	\$16,861.49 per month

Additional Rental Annual Cap for 5610 Premises:

2022 Calendar Year:	\$6,790.25 per month
2023 Calendar Year:	\$6,993.96 per month
2024 Calendar Year:	\$7,203.78 per month
2025 Calendar Year:	\$7,419.89 per month
2026 Calendar Year:	\$7,642.49 per month
2027 Calendar Year:	\$7,871.76 per month

- (d) Annual Tenant Allowance, as defined in the Lease, for the extended term shall be as follows:

Tenant Allowance for 5310 Premises

2023 Calendar Year:	\$18,600.44
2024 Calendar Year:	\$19,158.45
2025 Calendar Year:	\$19,733.21
2026 Calendar Year:	\$20,325.20
2027 Calendar Year:	\$20,934.96

Tenant Allowance for 5610 Premises

2023 Calendar Year:	\$7,171.82
2024 Calendar Year:	\$7,386.97
2025 Calendar Year:	\$7,608.58
2026 Calendar Year:	\$7,836.84
2027 Calendar Year:	\$8,071.94

- (e) All other terms and conditions of the Lease, as amended, not expressly amended hereby, shall remain in full force and effect.

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SECTION 3. That the Chief Financial Officer be and is hereby authorized to draw warrants for the 5310 Premises' Basic Rental payable to Sealy Executive Center, L.L.C., or its successors and assigns, on the first day of each month in advance during the option term beginning August 1, 2022 in the amount specified below:

August 1, 2022 – September 30, 2022: per month (subject to annual appropriations)	\$43,815.03
October 1, 2022 – July 31, 2023: per month (subject to annual appropriations)	\$43,815.03
August 1, 2023 – September 30, 2023: per month (subject to annual appropriations)	\$45,129.48
October 1, 2023 – July 31, 2024: per month (subject to annual appropriations)	\$45,129.48
August 1, 2024 – September 30, 2024: per month (subject to annual appropriations)	\$46,483.36
October 1, 2024 – July 31, 2025: per month (subject to annual appropriations)	\$46,483.36
August 1, 2025 – September 30, 2025: per month (subject to annual appropriations)	\$47,877.86
October 1, 2025 – July 31, 2026: per month (subject to annual appropriations)	\$47,877.86
August 1, 2026 – September 30, 2026: per month (subject to annual appropriations)	\$49,314.20
October 1, 2026 – July 31, 2027: per month (subject to annual appropriations)	\$49,314.20

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

August 1, 2022 - September 30, 2022: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

SECTION 4. (continued)

October 1, 2022 - September 30, 2023: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2023- September 30, 2024: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2024- September 30, 2025: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2025- September 30, 2026: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2026 – July 31, 2027: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

SECTION 5. That the Chief Financial Officer be and is hereby authorized to draw warrants for the 5610 Premises' Basic Rental payable to Sealy Executive Center, L.L.C., or its successors and assigns on the first day of each month in advance during the option lease term beginning August 1, 2022 in the amount specified below:

August 1, 2022 – September 30, 2022: \$22,176.12 per month (subject to annual appropriations)

October 1, 2022 – July 31, 2023: \$22,176.12 per month (subject to annual appropriations)

August 1, 2023 – September 30, 2023: \$22,841.40 per month (subject to annual appropriations)

October 1, 2023 – July 31, 2024: \$22,841.40 per month (subject to annual appropriations)

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SECTION 5. (continued)

August 1, 2024 – September 30, 2024: month (subject to annual appropriations)	\$23,526.64 per
October 1, 2024 – July 31, 2025: month (subject to annual appropriations)	\$23,526.64 per
August 1, 2025 – September 30, 2025: month (subject to annual appropriations)	\$24,232.44 per
October 1, 2025 – July 31, 2026: month (subject to annual appropriations)	\$24,232.44 per
August 1, 2026 – September 30, 2026: month (subject to annual appropriations)	\$24,959.41 per
October 1, 2026 – July 31, 2027: month (subject to annual appropriations)	\$24,959.41 per

SECTION 6. That the payments will be charged as follows:

August 1, 2022 - September 30, 2022: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2022 - September 30, 2023: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2023- September 30, 2024: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2024- September 30, 2025: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

SECTION 6. (continued)

October 1, 2025- September 30, 2026: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2026 – July 31, 2027: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

SECTION 7. That the Chief Financial Officer be and is hereby authorized to draw warrants for the 5310 Premises' Additional Rental, subject to Annual Cap, payable to Sealy Executive Center, L.L.C., or its successors and assigns on the first day of each month in advance during the option lease term beginning August 1, 2022 in the amount specified below:

August 1, 2022 – September 30, 2022: month (subject to annual appropriations)	\$14,544.86 per
October 1, 2022 – December 31, 2022: month (subject to annual appropriations)	\$14,544.86 per
January 1, 2023 – September 30, 2023: month (subject to annual appropriations)	\$14,981.21 per
October 1, 2023 – December 31, 2023: month (subject to annual appropriations)	\$14,981.21 per
January 1, 2024 – September 30, 2024: month (subject to annual appropriations)	\$15,430.65 per
October 1, 2024 – December 31, 2024: month (subject to annual appropriations)	\$15,430.65 per
January 1, 2025 – September 30, 2025: month (subject to annual appropriations)	\$15,893.57 per
October 1, 2025 – December 31, 2025: month (subject to annual appropriations)	\$15,893.57 per

SECTION 7. (continued)

January 1, 2026 – September 30, 2026: month (subject to annual appropriations)	\$16,370.38 per
October 1, 2026 – December 31, 2026: month (subject to annual appropriations)	\$16,370.38 per
January 1, 2027 – July 31, 2027: month (subject to annual appropriations)	\$16,861.49 per

SECTION 8. That the payments will be charged as follows:

August 1, 2022 - September 30, 2022: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2022 - September 30, 2023: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2023- September 30, 2024: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2024- September 30, 2025: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2025- September 30, 2026: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2026 – July 31, 2027: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

SECTION 9. That the Chief Financial Officer be and is hereby authorized to draw warrants for the 5610 Premises' Additional Rental, subject to Annual Cap, payable to Sealy Executive Center, L.L.C., or its successors and assigns on the first day of each month in advance during the option lease term beginning August 1, 2022 in the amount specified below:

August 1, 2022 – September 30, 2022: per month (subject to annual appropriations)	\$6,790.25
October 1, 2022 – December 31, 2022: per month (subject to annual appropriations)	\$6,790.25
January 1, 2023 – September 30, 2023: per month (subject to annual appropriations)	\$6,993.96
October 1, 2023 – December 31, 2023: per month (subject to annual appropriations)	\$6,993.96
January 1, 2024 – September 30, 2024: per month (subject to annual appropriations)	\$7,203.78
October 1, 2024 – December 31, 2024: per month (subject to annual appropriations)	\$7,203.78
January 1, 2025 – September 30, 2025: per month (subject to annual appropriations)	\$7,419.89
October 1, 2025 – December 31, 2025: per month (subject to annual appropriations)	\$7,419.89
January 1, 2026 – September 30, 2026: per month (subject to annual appropriations)	\$7,642.49
October 1, 2026 – December 31, 2026: per month (subject to annual appropriations)	\$7,642.49
January 1, 2027 – July 31, 2027: per month (subject to annual appropriations)	\$7,871.76

SECTION 10. That the payments will be charged as follows:

August 1, 2022 - September 30, 2022: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

SECTION 10. (continued)

October 1, 2022 - September 30, 2023: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2023- September 30, 2024: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2024- September 30, 2025: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

October 1, 2025- September 30, 2026: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

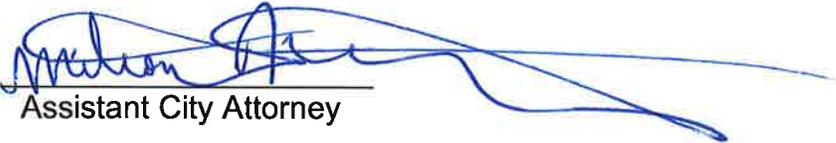
October 1, 2026 – July 31, 2027: General Fund, Fund 0001, Department DPD, Unit 2116, Object 3330, Encumbrance/Contract No. CX-DPD-2021-00017749, Commodity 97145, Vendor VC21024.

SECTION 11. That the Chief Financial Officer is hereby authorized to draw warrants payable to the respective communications, utility and janitorial companies upon receipt of a bill for such services or other applicable charges throughout the lease term.

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SECTION 12. 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:
CHRISTOPHER J. CASO, City Attorney

BY: 
Assistant City Attorney