

WHEREAS, the City of Dallas ("Lessor") owns and operates an airport in the City of Dallas, Dallas County, Texas, known as Dallas Love Field; and,

WHEREAS, in Spring 2014, DTG Operations, Inc. ("DTG"), operating a rental car operation at the Airport, had a need to move its operations to a temporary premises on the Airport; and,

WHEREAS, on February 11, 2015, pursuant to Council Resolution No. 15-0264, Lessor approved a lease with DTG at a location that became available; and,

WHEREAS, since the approval of the lease in February, additional time by DTG in the proposed lease premises has become necessary due to City plans for a more permanent consolidated car rental facility ("ConRAC"), and the approved lease was never executed; and,

WHEREAS, Lessor hereby desires to enter into a new lease with DTG, and DTG hereby desires to accept from Lessor certain land and improvements at the Airport as further described in the lease, subject to the terms, conditions and covenants of the lease; and,

WHEREAS, Lessor agrees to abate rent during the primary term of the lease and any option periods up to an amount not to exceed \$1,200,000 based on the amount DTG expends on retrofitting the leased premises; and,

WHEREAS, the primary lease term is through December 31, 2017, to run concurrently with other car rental leases at the Airport, with seven (7) one year option periods.

Now, Therefore,

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

Section 1. That Resolution No. 15-0264, previously approved on February 11, 2015, authorizing a lease agreement at Dallas Love Field with DTG Operations, Inc. is hereby rescinded.

Section 2. That the City Manager, upon approval as to form by the City Attorney, is hereby authorized to execute a new lease agreement with DTG Operations, Inc.; subject to the certain terms and conditions identified in Section 3 and Section 4 of this resolution.

Section 3. Lessor, in consideration of and conditional to DTG retrofitting the buildings and constructing other improvements at its expense, will abate rent during the term of the lease, including the primary term ending December 31, 2017 and seven one (1) year option periods, in an amount equal to the agreed costs of DTG's work performed on the premises, said costs and rental abatement not to exceed \$1,200,000.00.

Section 4. That the DTG lease agreement rent abatement shall be credited at \$7,666.45 per month for the primary term of the lease, subject to rent escalations at each extension option, and extend to all option periods until the total \$1,200,000.00 abatement cap has been reached. In the event that the Lessor requests relocation of DTG's car rental operations to the ConRAC facility or any other facility, DTG Operations, Inc. will relocate to a space therein and the amount of the unapplied remaining rent abatement authorized herein, if any, shall transfer and be credited to any rent obligations of DTG Operations, Inc., at the new facility.

Section 5. DTG and the City shall agree to the following:

- (A) Execution of a lease of approximately 106,137 square feet of improved land, buildings and other improvements at Dallas Love Field, for a primary term of July 1, 2014 through December 31, 2017, with seven (7) one year extension options exercisable by DTG, which options shall be extinguished at the time that the anticipated ConRAC facility be completed and is ready for occupancy.
- (B) DTG will retrofit the office building, maintenance building, car wash and improved land at its expense at a cost not to exceed \$1,200,000.00 and relocate to the premises within ten (10) months after execution of the lease.

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.

