

WHEREAS, on December 14, 1994, City Council authorized a seven-year Lease Agreement dated December 14, 1994, ("the Lease") with Encomp Corporation ("Landlord"), as landlord, and City of Dallas ("City"), as tenant for approximately 73,900 square feet of warehouse and office space, and 4.233 acres of land, located at 4120, 4201 and 4236 Scottsdale Drive, Dallas, Dallas County, Texas ("Premises") to be used by Water Utilities Distribution Division by Resolution No. 94-4251; and

WHEREAS, on December 12, 2001, City Council authorized the First Amendment to the Lease Agreement dated December 27, 2001, to extend the lease term for an additional five-years by Resolution No. 01-3641; and

WHEREAS, on June 9, 2004, City Council authorized the Second Amendment to the Lease Agreement dated June 14, 2004, requesting landlord at its sole cost and expense to install commercial building standards 15-ton mechanical and heating air conditioning unto to service the Training Room on the second floor and Weight Room on the first floor; and

WHEREAS, Encomp Corporation changed its name to Miller and Brewer Properties, Inc., effective May 10, 2006; and

WHEREAS, on August 23, 2006, City Council authorized a six-year Lease Agreement dated October 17, 2006 by Resolution No. 06-2756; and

WHEREAS, on December 12, 2012, City Council authorized the First Amendment to the Lease Agreement dated January 10, 2013, to extend the lease term for an additional five-years by Resolution No. 12-2997; and

WHEREAS, the Lease, as amended, expires by its own terms on December 31, 2017; and

WHEREAS, the parties desire to renew, extend, modify and/or amend the Lease to provide for an additional three-year term.

Now, Therefore,

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

SECTION 1. That the City Manager is hereby authorized to sign the Second Amendment to the Lease Agreement between Miller and Brewer Properties, Inc., a Texas corporation, and the City of Dallas, approved as to form by the City Attorney.

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

- a. The term of the Lease is extended for an additional three years, effective January 1, 2018 and ending December 31, 2020, provided however, that City and Landlord retain the right to terminate the Lease as provided elsewhere therein.
- b. Monthly rental payments shall be as follows (subject to annual appropriations):

January 1, 2018 – December 31, 2019:	\$40,000 per month
January 1, 2020 – December 31, 2020:	\$44,000 per month
- c. Provided the City is not in default under the terms and conditions of this lease, City shall have the right to renew this lease for one additional period of two-years under the same terms and conditions as stated herein, except that the rent shall be increased from \$44,000 to \$46,000 monthly. City shall give Landlord notice in writing of City's intention to exercise this option at least 90 calendar days prior to the expiration of this lease.
- d. Provided the City is not in default under the terms and conditions of this lease, City is granted an option to terminate this lease agreement during the Primary Lease Term and any options to renew should City and Landlord reach an agreement for the purchase of the property by the City. The lease will automatically terminate at the closing of the sale.
- e. All other terms of the Lease, as previously amended, not expressly amended hereby shall remain unchanged and in full force and effect.

SECTION 3. That the Chief Financial Officer is hereby authorized to draw warrants payable to Miller and Brewer Properties, Inc., or its successors and assigns on the first day of each month in advance during the lease term beginning January 1, 2018 in the amount specified below:

January 1, 2018 – December 31, 2019: (subject to annual appropriations)	\$40,000 per month
January 1, 2020 – December 31, 2020: (subject to annual appropriations)	\$44,000 per month

December 13, 2017

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

January 1, 2018- December 31, 2019: Fund 0100, Department DWU, Unit 7311, Object 3330, Encumbrance/Contract No. CX DWU-2018-00004234, Commodity Code 97145, Vendor 341882.

January 1, 2020- December 31, 2020: Fund 0100, Department DWU, Unit 7311, Object 3330, Encumbrance/Contract No. CX DWU-2018-00004234, Commodity Code 97145, Vendor 341882.


SECTION 5. That the Chief Financial Officer is hereby authorized to draw warrants payable to the respective utility, telephone, janitorial, communication and security companies upon receipt of a bill for services or other applicable charges throughout the term 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.

APPROVED AS TO FORM:
LARRY E. CASTO, City Attorney

BY: 
Assistant City Attorney

APPROVED BY
CITY COUNCIL

DEC 13 2017

Interim City Secretary