

CITY OF EL PASO, TEXAS
DEPARTMENT HEAD'S SUMMARY REQUEST FOR COUNCIL ACTION (RCA)

DEPARTMENT: AIRPORT
AGENDA DATE: March 13, 2007
CONTACT PERSON/PHONE: Patrick T. Abeln, A.A.E. - 780-4724
DISTRICT(S) AFFECTED: 3

CITY CLERK DEPT.
07 MAR - 2 PM 3:11

SUBJECT:
Resolution approving that the City Manager be authorized to sign a Lessor's Approval of Sublease between the City of El Paso (Lessor), Juliusson Family Limited Partnership (Lessee) and WJN Corporation (Sublessee).

BACKGROUND / DISCUSSION:
Thorleifur Juliusson has been a tenant providing aircraft maintenance to general aviation at El Paso International since March 1982. In January, 2004, the General Aviation Commercial Ground Lease for 6805 Boeing was assigned from Julies Aircraft Services, Inc. to Juliusson Family Limited Partnership ("Julie's") to legally include the Juliusson family. The terms of the lease requires that the City approve any proposed sublease of a Lessee's premises.

WJN Corporation (Dr. Nelson) has been a tenant at El Paso International for over 40 years where he has housed and maintained his private aircraft. Julie's now requests approval to sublease hangar floor, office space, ramp aircraft parking and vehicular parking space to WJN for the continued storage and maintenance of four aircraft.

PRIOR COUNCIL ACTION:
Has the Council previously considered this item or a closely related one? If so, when?

Yes. Standard Lessor's Approval of Subleases are common going to Council on a regular basis with the most recent going to Council on November 21, 2006.

AMOUNT AND SOURCE OF FUNDING:
How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

There will be no economic impact on Airport funds.

BOARD / COMMISSION ACTION:
This Lessor's Approval of Sublease was presented to the Airport Board on January 18, 2007 and approved.

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) Raymond L. Felles **FINANCE:** (if required) _____
Raymond L. Felles, Asst. City Attorney

OTHER: Patrick T. Abeln, A. A. E., Director of Aviation Patrick T. Abeln
(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____ **DATE:** _____

RESOLUTION

CITY CLERK DEPT.
07 MAR -2 PM 3:47

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

THAT the City Manager be authorized to sign a Lessor's Approval of Sublease between the City of El Paso ("Lessor"), Juliusson Family Limited Partnership ("Lessee"), and WJN Corporation ("Sublessee") regarding a portion of the premises located at 6805 Boeing Dr., El Paso, Texas 79925.

APPROVED this _____ day of _____ 2007.

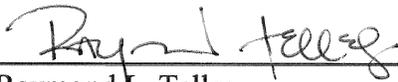
CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

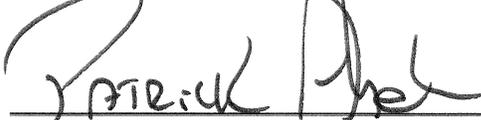
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Raymond L. Telles
Assistant City Attorney

APPROVED AS TO CONTENT:



Patrick T. Abeln, A.A.E.
Director of Aviation

STATE OF TEXAS §
 §
COUNTY OF EL PASO §

LESSOR'S APPROVAL OF SUBLEASE

CITY CLERK DEPT.
07 MAR -2 PM 3:47

THIS Lessor's Approval of Sublease is made and entered into on this _____ day of _____, 2007 by and between the City of El Paso ("Lessor"), Juliusson Family Limited Partnership ("Lessee"), and WJN Corporation ("Sublessee").

WHEREAS, Lessor and Julie's Aircraft Service, Inc. entered into a General Aviation Commercial Ground Lease with an effective date of June 1, 1990 which was subsequently assigned to Juliusson Family Limited Partnership pursuant to a Lessor's Approval of Assignment with an effective date of January 27, 2004 (collectively referred to herein as the "Lease") covering the following described property:

Portions of Lots 2 and 3 and all of Lot 4, Block 4, EPIA Tracts, Unit 10, El Paso, El Paso County, Texas and municipally known and numbered as 6805 Boeing Dr., El Paso, Texas (the "Premises");

WHEREAS, Lessee desires to sublease a portion of the Premises to Sublessee and the Lease requires the prior written consent of the Lessor for such a sublease of the Premises; and

WHEREAS, Lessor is willing to approve the proposed sublease subject to the terms and conditions set forth in the Lease and this Lessor's Approval of Sublease;

NOW, THEREFORE, in consideration of the mutual covenants of the parties, Lessor, Lessee, and Sublessee agree as follows:

1. **Acceptance of Lease Terms and Covenants.** Sublessee acknowledges that it has been provided with a copy of the Lease and agrees to accept and abide by all the terms, covenants, and conditions of the Lease.
2. **Subleased Premises.** Sublessee acknowledges that the subleased premises located at 6805 Boeing Dr., El Paso, El Paso County, Texas 79925 includes designated portions of the east hangar facility, to include hangar floor space and office spaces, a portion of the aircraft parking ramp in rear of hangar, the east side area between the hangar building and the fence, and five (5) designated parking spaces on the street-side front area of the hangar, all of which is located on the Premises.
3. **Permitted Use of Premises.** Sublessee acknowledges that the subleased premises will not be used for any activity other than for those General Aviation Commercial Activities permitted by the Lease, as may be further restricted by the sublease by and between Lessee and Sublessee. Such activities may include limited office use, maintenance, restoration, repair, and overhaul, including engine repair and overhaul of Sublessee's personal aircraft only. Sublessee also

acknowledges that its use of the subleased premises shall be further limited by those additional restrictions and prohibitions enumerated within the Lease. Lessor acknowledges that the office use contemplated herein for the subleased premises is a permitted use by the Lease, and Lessor hereby approves such use as a permitted use.

4. **Proof of Insurance.** Sublessee has provided Lessor with a certificate of insurance to evidence compliance with the insurance requirements of the Lease and understands and agrees that Lessor's consent to Sublease is expressly contingent upon Sublessee maintaining the required levels of insurance and Sublessee's providing proof of such to Lessor. Failure to comply with any insurance requirements may result in a revocation of Lessor's consent to the sublease and termination of this Lessor's Approval of Sublease and the Sublease.
5. **Reporting Requirements.** In the event Sublessee shall engage in any activities that include cargo, freight or mail (on or off loading), and as additional consideration for Lessor's approval, Sublessee agrees that it shall furnish to Lessor, on or before the tenth (10th) day of each month, an accurate report of Sublessee's operations at the Airport during the preceding month. The report shall include, but not be limited to: (i) the amount of cargo, freight, or mail loaded or off-loaded from any aircraft by Sublessee, its customers, contractors, or agents; and (ii) the type of aircraft and name of aircraft operator handled. Sublessee agrees to provide this information in such detail and on the form as prescribed by the Director of Aviation. Failure to comply with the reporting requirements may result in a revocation of the Lessor's consent to the sublease and termination of this Lessor's Approval of Sublease and the Sublease.
6. **Lessee's Obligations.** Notwithstanding any provision to the contrary in the Sublease, this Lessor's Approval of Sublease shall in no way release the Lessee or any person or entity claiming by, through, or under Lessee, including Sublessee, from any of its covenants, agreements, liabilities, and duties under the Lease, as same may be amended from time to time. Lessee shall remain liable to Lessor for any defaults under the Lease, whether such default is caused by Lessee or Sublessee or anyone claiming by or through either Lessee or Sublessee. The foregoing shall not be deemed to restrict or diminish any right which Lessor may have against Lessee or Sublessee, in law or in equity, for violation of the Lease.
7. **Purpose.** This Lessor's Approval of Sublease does not constitute approval by Lessor of any of the provisions of the Sublease document or agreement; nor shall the same be construed to amend the Lease in any respect. The sole purpose of the Sublease shall be to set forth the rights and obligations between Lessee and Sublessee. In no event, however, shall Lessor be deemed to be in privity of contract with Sublessee or owe any obligation or duty to Sublessee under the Lease or otherwise; any duties of Lessor under the Lease being in favor of, for the benefit of, and enforceable solely by Lessee.

CITY CLERK DEPT.
07 MAR -2 PM 3:47

8. **Non-Waiver.** Nothing herein shall be deemed a waiver of any of Lessor's rights under the Lease. This Lessor's Approval of Sublease does not end the need for Lessor's approval of any future subleases or for any other matter for which Lessor's approval is required under the Lease or otherwise.

9. **Subordinate Rights.** The Sublease is, in all aspects, subject and subordinated to the Lease as the same may be amended. The terms of the Lease shall prevail in the case of any conflict between the provisions of the Lease, Sublease, or this Lessor's Approval of Sublease.

If, at any time prior to the expiration of the term of the Sublease, the Lease shall expire or be terminated for any reason (or Lessee's right to possession shall terminate without termination of the Lease), this Lessor's Approval of Sublease and the Sublease shall simultaneously terminate.

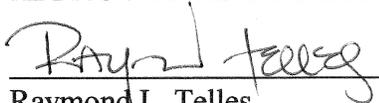
10. **Authorized Parties.** The persons signing this Lessor's Approval of Sublease on behalf of the Lessee and Sublessee represent and warrant that they have the authority to legally bind their respective entity to the provisions of this instrument. Further, Lessee and Sublessee acknowledge and agree to be bound by all the terms and conditions of this Lessor's Approval of Sublease as set forth herein.

IN WITNESS WHEREOF, this Lessor's Approval of Sublease has been executed and shall be effective as of the date first noted above.

CITY OF EL PASO:

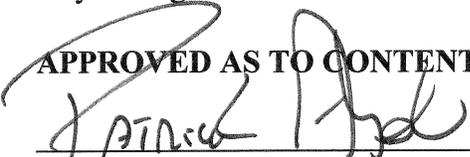
Joyce A. Wilson
City Manager

APPROVED AS TO FORM:



Raymond L. Telles
Assistant City Attorney

APPROVED AS TO CONTENT:



Patrick T. Abeln, A.A.E.
Director of Aviation

CITY CLERK DEPT.
07 MAR -2 PM 3:48

ACKNOWLEDGMENT

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me on this _____ day of _____, 2007, by **Joyce A. Wilson** as **City Manager of the City of El Paso** (Lessor).

