

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

DEPARTMENT: AIRPORT
AGENDA DATE: ~~July 26, 2007~~ 8-7-07
CONTACT PERSON/PHONE: Patrick T. Abeln, A.A.E. - 780-4724
DISTRICT(S) AFFECTED: 02

SUBJECT: Authorize the City Manager to sign a Lessor's Approval of Assignment between the City of El Paso, Lessor, Teachers Insurance and Annuity Association of America, Lessee and El Paso Owner, LLC, Assignee for the following property located in the Butterfield Trail Industrial Park: #9 Zane Grey: A portion of Lots 2B and 2C, Block 1, Butterfield Trail Industrial Park, Unit One, Replat "A", City of El Paso, El Paso County, Texas.

BACKGROUND / DISCUSSION:

The City of El Paso entered into a Butterfield Trail Industrial Park Lease on April 1, 1986 with Kasco Ventures Butterfield 14 for a term of thirty-three (33) years with the initial term expiring August 31, 2019. The lease also contains a provision for one (1) 10-year option permitting the Lessee to extend the lease to July 2029 under the same terms and conditions. Teachers Insurance and Annuity Association of America (TIAA) subsequently acquired the lease pursuant to a Lessor's Approval of Assignment dated December 8, 1995.

In accordance with the lease, the rental rate was adjusted on April 1, 2006 to the current \$0.104/sq. ft. for the 229,768 sq. ft. parcel. This equates to \$1,908.53 monthly or \$22,902.36/annum. The next rental adjustment will be due April 1, 2016. The rent during the option period will be adjusted to a full six percent (6%) of the then fair market value.

The site is improved with warehouse and/or manufacturing facilities and occupied by various subtenants. The attached map identifies the location of the property in the Butterfield Trail Industrial Park.

TIAA requested and received a Lessor's Approval of Assignment in order to assign the lease to SFERS Real Estate Corp. SS (SFERS) on December 5, 2006. However, this assignment never occurred. TIAA is now requesting Lessor's Approval of Assignment of the ground lease to El Paso Owner, LLC, a Delaware limited liability company. This agenda item requests authorization to revoke the previous Lessor's Approval of Assignment to SFERS and grants authorization for TIAA to assign to El Paso Owner, LLC.

PRIOR COUNCIL ACTION: Lessor's Approval of Assignment dated December 6, 2005 granting Teachers Insurance and Annuity the authority to assign the Lease to SFERS Real Estate Corp. SS which was never completed.

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?
N/A

BOARD / COMMISSION ACTION:

N/A

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

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

OTHER: Patrick T. Abeln, A. A. E., Director of Aviation _____
(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:** _____

CITY CLERK DEPT.
07 JUL 27 PM 2:59

RESOLUTION

WHEREAS, the City of El Paso (the "City") entered into the Butterfield Trail Industrial Park Lease with an effective date of April 1, 1986 with Kasco Ventures, Butterfield 14 ("Kasco 14") for the property known as #9 Zane Grey (the "Lease"), which was subsequently assigned by Kasco 14 to Teachers Insurance and Annuity Association of America, a New York corporation, For the Benefit of its Separate Real Estate Account ("TIAA");

WHEREAS, TIAA requested and the City granted a Lessor's Approval of Assignment dated December 6, 2005, which granted TIAA the authority to assign the Lease to SFERS Real Estate Corp. SS ("SFERS"); and,

WHEREAS, the referenced assignment to SFERS was never completed by TIAA and TIAA now desires to assign the Lease to El Paso Owner, LLC and has requested a Lessor's Approval of Assignment from the City to effectuate such an assignment;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

THAT: (i) the Lessor's Approval of Assignment granted to Teachers Insurance and Annuity Association of America ("Assignor") and SFERS Real Estate Corp. SS ("Assignee") for the property known as #9 Zane Grey on December 6, 2005 by the City of El Paso is hereby revoked; and, (ii) the City Manager be authorized to sign a Lessor's Approval of Assignment of the Butterfield Trail Industrial Park Lease by and between the City of El Paso ("Lessor"), Teachers Insurance and Annuity Association of America, a New York corporation, For the Benefit of its Separate Real Estate Account ("Assignor") and El Paso Owner LLC ("Assignee") for the property located at #9 Zane Grey.

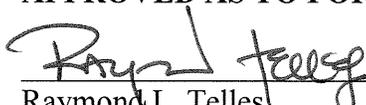
ADOPTED THIS _____ DAY OF _____, 2007.

CITY OF EL PASO

ATTEST:

Richarda Duffy Momsen
Municipal Clerk

APPROVED AS TO FORM:



Raymond L. Telles
Assistant City Attorney

John F. Cook
Mayor

APPROVED AS TO CONTENT:



Patrick T. Abeln, Director
Department of Aviation

CITY CLERK DEPT.
07 JUL 27 PM 3:00

CITY CLERK DEPT.
07 JUL 27 PM 3:01

ASSIGNOR: TEACHERS INSURANCE
AND ANNUITY ASSOCIATION OF
AMERICA, A NEW YORK
CORPORATION, FOR THE BENEFIT OF
ITS SEPARATE REAL ESTATE
ACCOUNT

ATTEST:

Maria McHugh
Printed Name: MARIA MCHUGH

Sheryl Korn
Printed Name: Sheryl Korn
Title: Director

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ACKNOWLEDGEMENT
(ASSIGNOR)

STATE OF NEW YORK §
 §
COUNTY OF NEW YORK §

This instrument was acknowledged before me on this 23 day of July, 2007,
by Sheryl Korn as Director of Teachers Insurance and Annuity Association of America, a
New York corporation, For the Benefit of its Separate Real Estate Account, on behalf of
said corporation (Assignor).

Ines Saldana-Olesen
Notary Public, State of New York

My Commission Expires: _____

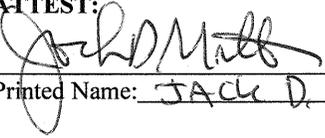
INES SALDANA-OLESEN
Notary Public, State of New York
No. 01SA6035878
Qualified in New York County
Commission Expires January 10, 2010

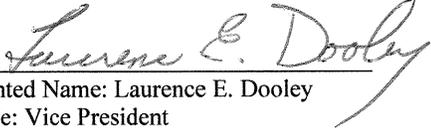
(SIGNATURES CONTINUE ON THE FOLLOWING PAGE)

ASSIGNEE: EL PASO OWNER LLC,
a Delaware limited liability company

By: Falcon Real Estate Investment Company,
Ltd., a Delaware corporation,
its Sole Member

ATTEST:


Printed Name: JACK D. MILLER

By: 
Printed Name: Laurence E. Dooley
Title: Vice President

**ACKNOWLEDGEMENT
(ASSIGNEE)**

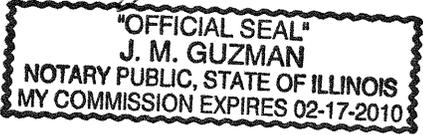
STATE OF ILLINOIS §
 §
COUNTY OF COOK §

This instrument was acknowledged before me on this 23 day of July, 2007,
by **Laurence E. Dooley** as Vice President of **Falcon Real Estate Investment Company, Ltd.**,
a Delaware corporation, Sole Member of **El Paso Owner LLC**, a Delaware limited liability
company, on behalf of said corporation and company (Assignee).



Notary Public, State of Illinois

My Commission Expires: 02-17-10



CITY CLERK DEPT.
07 JUL 27 PM 3:01

EXHIBIT A

PROPERTY DESCRIPTION
220,768 SQUARE FEET
OR 5.068 ACRES

Being a portion of Lot 2B, and 2C, Block 1, Butterfield Trail Industrial Park Unit One, Replat "A", City of El Paso, El Paso County, Texas and being more particularly described by metes and bounds as follows:

COMMENCING FOR REFERENCE of a City Monument at the centerline intersection of Butterfield Trail Boulevard (140 feet wide) and Zane Grey Street (90 feet wide);

THENCE, along the centerline of said Zane Grey Street, South 00°59'34" East, a distance of 525.00 feet to a point:

THENCE, leaving said centerline, South 89°00'26" West, a distance of 45.00 feet to a found 5/8" rebar in the westerly right-of-way line of Zane Grey Street and POINT OF BEGINING for the herein described tract;

THENCE, along said right-of-way line, South 00°59'34" East, a distance of 458.50 feet to a found 1/2" rebar with cap;

THENCE, leaving said right-of-way line, South 89°00'26" West, a distance of 481.50 feet to a found 1/2" rebar in the easterly right-of-way line of a 33.5 feet wide railroad right-of-way;

THENCE, along said right-of-way line, North 00° 59" 34" West, a distance of 458.50 feet to a found 1/2" rebar;

THENCE, leaving said railroad right-of-way line, North 89°00'26" East, a distance of 481.50 feet to the POINT OF BEGINNING and containing 220,768 square feet or 5.068 acres of land.

(END OF EXHIBIT)

CITY CLERK DEPT.
07 JUL 27 PM 3:01

