

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: AIRPORT

AGENDA DATE: September 13, 2011

CONTACT PERSON NAME AND PHONE NUMBER: Monica Lombraña/780-4724

DISTRICT(S) AFFECTED: 3

SUBJECT:

APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include \$ amount if applicable.

This item is a Resolution to authorize the City Manager to sign a Second Amendment to the Temporary Land Use Lease between the City of El Paso and DTG Operations, Inc. dba Dollar Rent A Car dba Thrifty Car Rental to revise the identified time period for the Lessee to exercise an option to extend this Lease through August 31, 2014 for the following described property:

A portion of Tract 4A26, Block 2, Ascarate Grant, and a portion of Block 1D, El Paso International Airport Tracts, Unit 5, City of El Paso, El Paso County, Texas, containing approximately 16,825 sq. ft. of land.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

The First Amendment to the Lease required a sixty (60) day notice from Lessee to exercise an option to extend the Lease through August 31, 2014 under the same terms and conditions. The Lessee is currently leasing 16,825 square feet of land at an annual rate of \$0.51/SF or a total of \$8,580.75 per year. The Department of Aviation is requesting to revise the identified time period to thirty (30) days as the procurement period for the Vehicle Rental Concession contracts was extended and the contract award date was moved to October 25, 2011. This amendment will allow the Lessee to learn if they were successful in securing a Vehicle Rental Concession at the El Paso International Airport as the property leased under this agreement support said concession operation.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

June 29, 2010 – Approval of Temporary Land Use Lease for the above reference property

June 28, 2011 – Approval of First Amendment to the Temporary Land Use Lease

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 – this is a revenue-generating item

BOARD / COMMISSION ACTION: N/A

Enter appropriate comments or N/A

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

DEPARTMENT HEAD:



Monica Lombraña, A.A.E.
Director of Aviation

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

RESOLUTION

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

That the City Manager be authorized to sign a Second Amendment to the Temporary Land Use Lease between the City of El Paso and DTG Operations, Inc., dba Dollar Rent A Car dba Thrifty Car Rental, to revise the identified time period for the Lessee to exercise an option to extend this Lease through August 31, 2014 ("Second Option Period") for the following described property:

A portion of Tract 4A26, Block 2, Ascarate Grant, and a portion of Block 1D, El Paso International Airport Tracts, Unit 5, City of El Paso, El Paso County, Texas.

APPROVED the ____ day of _____ 2011.

CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Theresa Cullen
Deputy City Attorney

APPROVED AS TO CONTENT:



Monica Lombraña, A.A.E.
Director of Aviation

STATE OF TEXAS)
)
COUNTY OF EL PASO) **SECOND AMENDMENT TO TEMPORARY
LAND USE LEASE**

This Second Amendment to the Temporary Land Use Lease is made and entered into this ____ day of _____ 2011 by and between the City of El Paso (“Lessor”) and DTG Operations, Inc. dba Dollar Rent A Car dba Thrifty Car Rental (“Lessee”).

WHEREAS, effective July 1, 2010, Lessor entered into a Temporary Land Use Lease (“Lease”) with Lessee for the property described as a portion of Tract 4A26, Block 2, Ascarate Grant, and a portion of Block 1D, El Paso International Airport Tracts, Unit 5, City of El Paso, El Paso County, Texas (the “Premises”); and

WHEREAS, Lessor anticipates that it will construct a consolidated rental car facility at the El Paso International Airport that will be occupied and used by all on-Airport rental car concessionaires and eliminate each on-Airport rental car concessionaire’s need for its own maintenance facility;

WHEREAS, Lessor anticipates that the projected construction for the consolidated rental car facility will be completed and on-Airport rental car concessionaires will be occupying the facility by August 31, 2014;

WHEREAS, on June 28, 2011, Lessor and Lessee amended the Lease to extend the term of the Lease until the construction of a consolidated rental car facility is completed; and

WHEREAS, the scheduling for the projected construction of the consolidated rental car facility has been revised, and the timing for notices to exercise an option to extend the lease needs to be revised accordingly,

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Article III, Term of Leasehold, is amended to revise the identified time period for the Lessee to exercise an option to extend this Lease through August 31, 2014 (“Second Option Period”). The paragraph identified in the First Amendment to this Lease under Section 3.05 is revised as follows:

Section 3.05 Option to Extend
(revised paragraph)

In addition, after November 30, 2011, if Lessee is not in default of any terms of this Lease, Lessee shall have the option to extend this Lease through August 31, 2014 on the same terms and conditions (“Second Option Period”). Lessee may exercise the

