

May 13, 2021

Item No. 8.9.

511 University Drive East Lease Amendment #2

Sponsor: Brian Piscacek, Assistant to the City Manager

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding the second lease amendment with JAR Capital Investments, LLC, amending the original lease by extending the term for leased space at 511 University Drive East.

Relationship to Strategic Goals:

- Good Governance

Recommendation(s): Staff recommend approval of the lease amendment.

Summary: The original lease between JAR Capital Investments, LLC, and the City of College Station was a three-year lease beginning in 2016. This was amended in April 2018 to extend an additional two years, for a total of five.

The final year of the lease ends May 31, 2021. This second amendment proposes to extend the lease term for an additional six months, beginning June 1, 2021, and then move month-to-month, to coincide with the completion of the new city hall facility.

Contract 16300284

Budget & Financial Summary: Months 01 thru 12: \$9,448.50 per month (\$18.00 / sq. ft. per year)
Months 13 thru 24: \$9,731.96 per month (\$18.54 / sq. ft. per year)
Months 25 thru 36: \$10,020.66 per month (\$19.09 / sq. ft. per year)
Months 37 thru 48: \$10,321.28 per month (\$19.66 / sq. ft. per year)
Months 49 thru 60: \$10,629.46 per month (\$20.25 / sq. ft. per year)
Months 61 thru 66: \$6,312.29 per month (\$20.50 / sq. ft. per year)
Months 67 and beyond: \$6,312.29 per month (\$20.50 / sq. ft. per year)

Attachments:

1. 16300284 A2 -- RF



CITY OF COLLEGE STATION
Home of Texas A&M University®

CONTRACT & AGREEMENT ROUTING FORM

CONTRACT#: ^{16300284Amd #2} _____ PROJECT#: _____ BID/RFP/RFQ#: _____

Project Name / Contract Description: Amendment 2, Extending Office Lease for 511 University Dr. East, by a minimum of six months

Name of Contractor: JAR Capital Investments, LLC

CONTRACT TOTAL VALUE: \$ 649,144.56 **Grant Funded** Yes No
If yes, what is the grant number:

Debarment Check Yes No N/A **Davis Bacon Wages Used** Yes No N/A
Section 3 Plan Incl. Yes No N/A **Buy America Required** Yes No N/A
Transparency Report Yes No N/A

NEW CONTRACT **RENEWAL #** _____ **CHANGE ORDER #** _____ **OTHER** Amendment #2

BUDGETARY AND FINANCIAL INFORMATION (Include number of bids solicited, number of bids received, funding source, budget vs. actual cost, summary tabulation)
Lease amount is \$6,312.29 per month for the remaining duration of the agreement, beginning June 1, 2021. The lease is extended for an additional six (6) months, then renewing month-to-month to coincide with the completion of the new city hall building. Funds will be split between 31220630 and 10010610. Total contract value reflects additional six-month lease period.

CRC Approval Date*: 04/19/21 *(if required)** **Council Approval Date*:** 05/13/21 **Agenda Item No*:** _____

--Section to be completed by Risk, Purchasing or City Secretary's Office Only--

Insurance Certificates: NA **Performance Bond:** NA rf **Payment Bond:** NA rf **Info Tech:** NA

SIGNATURES RECOMMENDING APPROVAL

<u>Brian Piscacek</u>	<u>4/27/2021</u>
DEPARTMENT DIRECTOR/ADMINISTERING CONTRACT	DATE
<u>Alan C. Jala</u>	<u>4/30/2021</u>
LEGAL DEPARTMENT	DATE
<u>[Signature]</u>	<u>4/30/2021</u>
ASST CITY MGR – CFO	DATE

APPROVED & EXECUTED

_____ CITY MANAGER	_____ DATE
_____ MAYOR (if applicable)	_____ DATE
_____ CITY SECRETARY (if applicable)	_____ DATE

**SECOND LEASE AMENDMENT
OFFICE LEASE FOR 511 UNIVERSITY DRIVE EAST**

This Lease Amendment is by and between **JAR Capital Investments, LLC**, (with its successors, called "Landlord"), and **The City of College Station**, a Texas Home Rule Municipal Corporation (with its successors, called "Tenant"), in consideration of their mutual covenants and agreements in this Lease Amendment, the parties agree as follows:

WHEREAS, Landlord and Tenant entered into an Office Lease for 511 University Drive East Agreement March 1, 2016 by Tenant with contract number 16300284 (collectively hereinafter referred to as the "Lease"), for certain real property containing approximately 6,299 square feet located at 511 University Drive East, College Station, Texas 77840; and

WHEREAS, Landlord and Tenant on May 1, 2018 amended the Least term to five (5) years, and

WHEREAS, Landlord and Tenant desire to amend the Lease by extending the Lease term with a month-to-month option, adjusting the base rent and amending the Premises by reducing the size; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and promises set forth below, Landlord and Tenant agree to amend the Lease follows:

1. SUMMARY AND DEFINITIONS. The following definitions apply in this Lease:

(a) **Term.** Five (5) years and six (6) months, then renewing month-to-month.

(c) **Termination Date.** This Lease shall terminate on the Termination Date, or at the end of any extension, renewal, or at the end of a month-to-month term with thirty (30) days advanced written termination notice. Tenant hereby agrees that if Tenant fails to surrender the Leased Premises at the end of the Term, or any renewal thereof, Tenant will be liable to Landlord for any and all reasonable damages which Landlord shall suffer by reason thereof.

(d) **Monthly Base Rent:**

Months 01 thru 12:	\$9,448.50 per month (\$18.00 / sq. ft. per year)
Months 13 thru 24:	\$9,731.96 per month (\$18.54 / sq. ft. per year)
Months 25 thru 36:	\$10,020.66 per month (\$19.09 / sq. ft. per year)
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Months 49 thru 60:	\$10,629.46 per month (\$20.25 / sq. ft. per year)
Months 61 thru 66:	\$6,312.29 per month (\$20.50 / sq. ft. per year)
Months 67 and beyond:	\$6,312.29 per month (\$20.50 / sq. ft. per year)

(g) Premises:

- (i) Months 01 thru 60.** Designated by the outlined area on the site plan attached as Exhibit "A" and containing approximately 6,299 square feet located within the Building.
- (ii) Months 61 and beyond.** The Premises size is reduced by removed the Police Department section starting with Month 61, as designated on the site plan attached as Exhibit "D" – Revised Premises to include approximately 3,695 square feet for the Community Services Department.

All other terms, covenants and conditions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, this Lease Amendment is hereby executed in multiple originals as of the date approved by the Tenant.

**JAR CAPITAL INVESTMENTS, LLC,
LANDLORD**

By: Jennifer Dunkin
Jennifer Dunkin, Manager

Date: 4/27/2021

**CITY OF COLLEGE STATION,
TENANT**

By: _____
Mayor
Date: _____

ATTEST:

City Secretary
Date: _____

APPROVED:

City Manager
Date: _____

Alan C. Fales

City Attorney
Date: 4/30/2021

Jim Beards

Assistant City Manager/CFO
Date: 4/30/2021

Exhibit "D" – Revised Premises Removing the Police Department Section

