

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

AGENDA DATE: August 17, 2021
PUBLIC HEARING DATE: N/A

CONTACT PERSON(S) NAME AND PHONE NUMBER: Samuel Rodriguez, P.E. Aviation Director
(915) 212-7301

DISTRICT(S) AFFECTED: 3

STRATEGIC GOAL 1: Create an Environment Conducive to Strong, Sustainable Economic Development

SUBGOAL: N/A

SUBJECT:

The City Manager be authorized to sign a Lessor's Approval of Assignment of the Ground Lease by the City of El Paso ("Lessor"), Croucher Family Limited Partnership, LLC. ("Assignor") and LuLu Lots LLC. ("Assignee") for property described as Lots 7, Block 7, El Paso International Airport Tracts, Unit 2, City of El Paso, El Paso County, Texas, also known as 7505 Lockheed Dr., El Paso, Texas.

The remaining lease term is 37 years and 9 months with one (1) ten-year option. The site is 30,825 SF at \$0.52 per SF and the annual rent is \$16,029.00. The lease agreement expires May 31, 2059 with option to extend to May 31, 2069.

BACKGROUND / DISCUSSION:

Croucher Family Limited Partnership, LLC. requests the ground lease be assigned to LuLu Lots, LLC. as they are purchasing the building at 7505 Lockheed Dr., El Paso, Texas from Croucher Family Limited Partnership, LLC

PRIOR COUNCIL ACTION:

April 16, 2019 - Lease

AMOUNT AND SOURCE OF FUNDING:


N/A: This is a revenue-generating item.

HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED? YES NO

PRIMARY DEPARTMENT: Aviation
SECONDARY DEPARTMENT: N/A

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

DEPARTMENT HEAD:



Samuel Rodriguez, P.E.
Aviation Director

RESOLUTION

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

That the City Manager, or designee, is authorized to sign a Lessor's Approval of Assignment by and between the City of El Paso, Croucher Family Limited Partnership, LLC., and LuLu Lots LLC for the following described property:

Lot 7, Block 7, El Paso International Airport Tracts, Unit 2, City of El Paso, El Paso County, Texas, commonly known as 7505 Lockheed Dr., El Paso, Texas.

Dated this ____ day of _____ 2021.


CITY OF EL PASO

Oscar Leeser
Mayor

ATTEST:

Laura D. Prine
City Clerk

APPROVED AS TO FORM:



Josette Flores
Senior Assistant City Attorney

APPROVED AS TO CONTENT:



Samuel Rodriguez, P.E.
Director of Aviation

STATE OF TEXAS §
 § LESSOR’S APPROVAL OF ASSIGNMENT
COUNTY OF EL PASO §

WHEREAS, the City of El Paso (“Lessor”) entered into a Southern Industrial Site Lease with an Effective Date of June 1, 2019 (“Lease”) between the Lessor and Croucher Family Limited Partnership, LLC. (the “Assignor”):

WHEREAS, the Lease pertains to the following described property:

Lot 7, Block 7, El Paso International Airport Tracts, Unit 2, City of El Paso, El Paso County, Texas, commonly known as 7505 Lockheed Dr., El Paso, Texas, 79925 (“Property”);

WHEREAS, Assignor has requested the Lessor’s approval and consent to an assignment of the Lease to LuLu Lots LLC.

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. **CONSENT TO ASSIGNMENT.** Lessor hereby approves and consents to the assignment of the Lease from Assignor to LuLu Lots LLC. (“Assignee”), on the condition that Assignee assumes and becomes liable to pay any and all sums owing or becoming due Lessor under the terms of the Lease from and after the effective date of the assignment of the Lease to Assignee, and upon the further condition that Assignee agrees to accept and abide by all the terms, covenants, and conditions of the Lease.

Assignee does hereby assume and agrees to be liable to pay any and all sums owing or becoming due Lessor under the terms of the Lease from and after the effective date of the assignment of the Lease to Assignee, and Assignee agrees to accept and abide by all the terms, covenants, and conditions of the Lease.

2. **PROOF OF INSURANCE AND INDEMNIFICATION.** Assignee has provided a certificate of insurance to evidence compliance with the insurance requirements of the Lease and expressly agrees to be bound by the indemnification provisions contained in the Lease.

3. **RELEASE.** Assignor is hereby released and discharged by Lessor from all rights, privileges, responsibilities and obligations under the Lease first arising and accruing from and after the effective date of the assignment of the Lease and Lessor and Assignee each hereby acknowledges that, as of the effective date of the assignment, Assignee enjoys all such rights and privileges and is responsible for satisfying all such obligations the same as if the Lease had originally been executed between Lessor and Assignee.

4. **SECURITY DEPOSIT.** No Security Deposit is required as a condition to this Approval.

5. **RATIFICATION OF LEASE.** Except as expressly set forth herein, no provision of this Approval alters or modifies any of the terms and conditions of the Lease, and all other terms and conditions of the Lease shall remain in full force and effect.

6. **ADDRESS FOR NOTICE.** Notices to Assignee and Assignor shall be sufficient if sent by certified mail, postage prepaid, addressed to:

ASSIGNOR: Croucher Family Limited Partnership, LLC
7310 Remcon Circle, Suite B.
El Paso, Texas 79912

ASSIGNEE: LuLu Lots LLC
3032 Orkney Road
El Paso, Texas 79925
Attn: Jacob Derek Firnekas

7. **AUTHORIZED REPRESENTATIVE.** The persons signing this Lessor's Approval of Assignment on behalf of the Assignee and Assignor represent and warrant that they have the legal authority to bind the Assignee and Assignor, respectively, to the provisions of this Lessor's Approval of Assignment.

8. **NON-WAIVER.** The Lessor's Approval of Assignment hereby given by Lessor shall not end the need for Lessor's consent for any future assignments.

9. **EFFECTIVE DATE.** The Effective Date of this Lessor's Approval of Assignment will be the date this document is approved by the El Paso City Council.

10. **COUNTERPARTS.** This Lessor's Approval of Assignment may be executed in any number of counterparts, each of which shall be deemed an original for all purposes, and all of which shall constitute one and the same instrument as if all parties had signed the same signature page.

(SIGNATURES BEGIN ON THE FOLLOWING PAGE)

APPROVED THIS ____ day of _____, 2021.

LESSOR: CITY OF EL PASO

Tomás González
City Manager

APPROVED AS TO FORM:

J. Flores

Josette Flores
Senior Assistant City Attorney

APPROVED AS TO CONTENT:

Samuel Rodriguez

Samuel Rodriguez, P.E.
Director of Aviation

LESSOR'S ACKNOWLEDGEMENT

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me on this ____ day of _____, 2021, by Tomás González as City Manager of the City of El Paso, Texas (Lessor).

Notary Public, State of Texas

My Commission Expires:

(SIGNATURES CONTINUE ON THE FOLLOWING PAGE)

ASSIGNOR: CROUCHER FAMILY LIMITED PARTNERSHIP, LLC

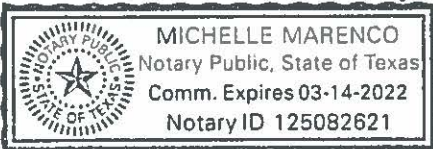
By: [Signature]
Print Name: KENNETH CROUCHER
Title: GP

ASSIGNOR'S ACKNOWLEDGEMENT

THE STATE OF Texas
COUNTY OF El Paso

This instrument was acknowledged before me on this 10th day of August, 2021,
by Kenneth Croucher Sr. - General Partner of Croucher Family Limited Partnership
on behalf of said corporation (Assignor).

My Commission Expires: 3/14/2022
Michelle Marenco
Notary Public, State of TX



(SIGNATURES CONTINUE ON THE FOLLOWING PAGE)

ASSIGNEE: LULU LOTS LLC

By: [Signature]
Print Name: Jacob Finokas
Title: Managing Member

ASSIGNOR'S ACKNOWLEDGEMENT

THE STATE OF Texas
COUNTY OF El Paso

This instrument was acknowledged before me on this day of August, 2021, by Jacob Finokas Managing Member of Lulu Lots LLC on behalf of said _____ (Assignee).



[Signature]
Notary Public, State of Texas

My Commission Expires:
