

Memorandum



CITY OF DALLAS

DATE June 22, 2018


TO Honorable Mayor and Members of the City Council

SUBJECT **June 27, 2018 Council Agenda Item #7 – Authorize a sublease agreement between The Braniff Centre, LP and CLT Commercial Partners, LP of approximately 248,020 square feet of land and improvements located at Dallas Love Field**

On your June 27, 2018 meeting agenda, Item #7 is a resolution authorizing a sublease agreement between The Braniff Centre, LP and CLT Commercial Partners, LP of approximately 248,020 square feet of land and improvements located at Dallas Love Field - Financing: No cost consideration to the City. The agenda information sheet and resolution are attached for your reference.

The agenda information sheet inadvertently states the wrong Council District. The item has been revised to show Council District 2 instead of 14.

For additional information on this item, please contact me or Mark Duebner, Director of Aviation, at mark.duebner@dallascityhall.com or 214-671-1481.



Jo M. (Jody) Puckett
Assistant City Manager (I)

[Attachment]

c: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Biliera Johnson, City Secretary
Daniel F. Solis, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Nadia Chandler Hardy, Chief of Community Services
Raquel Favela, Chief of Economic Development & Neighborhood Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: June 27, 2018

COUNCIL DISTRICT(S): 2

DEPARTMENT: Department of Aviation

CMO: Jody Puckett, 670-3390

MAPSCO: 34B F

SUBJECT

Authorize a sublease agreement between The Braniff Centre, LP and CLT Commercial Partners, LP of approximately 248,020 square feet of land and improvements located at Dallas Love Field - Financing: No cost consideration to the City

BACKGROUND

The City of Dallas entered into a Commercial Lease for a thirty-nine year agreement with three ten-year renewal options with The Braniff Centre, LP on May 20, 2016. As part of the Commercial Lease agreement, The Braniff Centre, LP has the right to sublease all or a portion of the lease premises, but with respect to any sublease having a term of twenty years or covering more than 100,000 square feet of improvements, such sublease shall be approved by Dallas City Council.

The proposed sublease agreement between The Braniff Centre, LP and CLT Commercial Partners, LP contains the identical terms and conditions as the original Commercial Lease between the City of Dallas and The Braniff Centre, LP and will contain approximately 248,020 square feet.

In accordance to the terms and conditions of the original Commercial Lease, The Braniff Centre, LP seeks approval of the Dallas City Council for the sublease agreement with CLT Commercial Partners, LP.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On September 9, 2015, City Council authorized a thirty-nine year lease agreement with three ten-year renewal options with The Braniff Centre, LP at Dallas Love Field, for approximately 414,600 square feet of land for commercial development by Resolution No. 15-1693.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS) (continued)

The Mobility Solutions, Infrastructure & Sustainability Committee will be briefed by memorandum regarding this matter on June 25, 2018.

FISCAL INFORMATION

No cost consideration to the City.

June 27, 2018

WHEREAS, the City of Dallas owns that certain airport in Dallas more commonly known as Dallas Love Field Airport (“Airport”); and

WHEREAS, the City of Dallas entered into a Commercial Lease for a term of thirty-nine years with three ten-year renewal options with The Braniff Centre, LP on May 20, 2016 at the Airport; and

WHEREAS, The Braniff Centre, LP has the right to sublease all or a portion of the leased premises in accordance to the terms and conditions of the Commercial Lease; and

WHEREAS, The Braniff Centre, LP must seek Dallas City Council approval of any sublease having a term of twenty years or covering more than 100,000 square feet.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the Dallas City Council, upon approval as to form by the City Attorney, hereby approves a sublease agreement between The Braniff Centre, LP and CLT Commercial Partners, LP of approximately 248,020 square feet of land and improvements located at Dallas Love Field Airport.

SECTION 2. That the key terms and conditions of the sublease are:

- a. Identical to the original Commercial Lease between the City of Dallas and The Braniff Centre, LP.
- b. The sublease premises contains approximately 248,020 square feet of land and improvements.

SECTION 3. That this contract is designated as Contract No. AVI-2016-00000755.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.