



CITY OF ALBUQUERQUE

Albuquerque, New Mexico

Office of the Mayor


EC-19-350

Mayor Timothy M. Keller

February 14, 2019

INTER-OFFICE MEMORANDUM

TO: Klarissa Peña, City Council President

FROM: Timothy M. Keller, Mayor 

SUBJECT: First Amendment to Lease Agreement between the City of Albuquerque and National Railroad Passenger Corporation (AMTRAK)

The City and AMTRAK entered into a lease agreement for the "Curio Building" at the Alvarado Transportation Center on March 24, 2009. The original agreement was for a ten (10) year term, with mutually agreeable extensions, for \$1.00 per term.

The City and AMTRAK wish to extend the lease five (5) years, through March 22, 2024. Additionally, the City wishes to provide the lessee with an additional two (2) five (5) year extension terms. The first extension term and all additional extension terms shall be on the same terms and conditions as set forth in the Lease unless otherwise modified in writing by the parties.

The Curio Building is leased to AMTRAK for the operation of a rail passenger station and business operations, primarily for related mail, package, baggage, and express services and office, mechanical and/or engineering facilities, connecting bus service and operations incidental to AMTRAK's business. AMTRAK shall be solely responsible for the premises, including heating and cooling systems, janitorial and maintenance services.

This Amendment is forwarded to City Council for approval.

Title/Subject of Legislation: First Amendment to Lease Agreement between the City of Albuquerque and National Railroad Passenger Corporation (AMTRAK)

Approved:

SM 3/3/19
Sarita Nair Date
Chief Administrative Officer

Recommended:

BR Toon 2/15/19
Bernard R. Toon Date
Director, Transit (K) 2/14/19

Cover Analysis

1. What is it?

First Amendment to Lease Agreement between the City of Albuquerque and National Railroad Passenger Corporation (AMTRAK).

2. What will this piece of legislation do?

Extend the current lease agreement five (5) years, through March 22, 2024, and provide the lessee with an additional two (2) five (5) year extension terms.

3. Why is this project needed?

To continue the presence of AMTRAK at the Alvarado Transportation Center.

4. How much will it cost and what is the funding source?

N/A

5. Is there a revenue source associated with this contract? If so, what level of income is projected?

\$1.00 per five (5) year term.

6. What will happen if the project is not approved?

AMTRAK services at the Alvarado Transpiration Center will be discontinued and additional vacancy will be created.

7. Is this service already provided by another entity?

No.

FIRST AMENDMENT TO LEASE AGREEMENT

Alvarado Transportation Center Albuquerque, New Mexico

This First Amendment to Lease Agreement ("First Amendment") is made by and between the City of Albuquerque ("Lessor") and National Railroad Passenger Corporation, ("Lessee"), referred to collectively as the "Parties."

BACKGROUND

A. Lessor and Lessee entered into a lease dated March 24, 2009 ("Lease") pursuant to which Lessor leased to Lessee certain space in the Alvarado Transportation Center, commonly known as the "**Curio Building**," located at 100-200 blocks of 1st Street, Albuquerque, New Mexico 87102 ("Premises"), along with the nonexclusive right to use the Common Areas and common facilities.

B. The Lease will expire on March 22, 2019.

C. Lessor and Lessee desire, *inter alia*, to extend the term of the lease and to amend certain terms of the Lease on the terms and conditions contained herein.

NOW THEREFORE, for and in consideration of the covenants and obligations hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties intending to be legally bound hereby agree as follows:

1. Incorporation of Recitals. The foregoing recitals are hereby incorporated by reference. All capitalized terms used herein and not otherwise defined in this First Amendment shall have the same meaning as in the Lease.

2. Effective Date. The effective date of this First Amendment shall be March 22, 2019 ("Effective Date").

3. Extensions. The term of the Lease shall be extended for a term of five (5) years, commencing on the Effective Date and expiring on March 21, 2024 ("First Extension Term"), unless sooner terminated in accordance with the Lease. Lessee is also hereby granted two (2) options to extend the term of the Lease after the First Extension Term (each an "Option" or collectively "Options") for five (5) additional years under each Option (each an "Extension Term" or collectively "Extension Terms"). The First Extension Term and all additional Extension Terms shall be on the same terms and conditions as set forth in the Lease unless otherwise modified in writing by the Parties. Lessee shall notify Lessor in writing of its intention to exercise the Option(s) to extend this Lease for an additional Extension Term(s) at least thirty (30) days prior to the expiration of the then current term.

4. Notice. Section 28 of the Lease is hereby amended to provide that any notices to be provided to Lessee as set forth therein shall be mailed or delivered to Lessee at the following address:

“AMTRAK”
30th Street Station, 5th Floor South
Philadelphia, PA 19104
Attn: Senior Director
Real Estate Development”

5. Remainder of Lease Unaffected. Except as expressly amended hereby, the Lease shall remain unmodified and in full force and effect and all covenants, terms and conditions of the Lease are incorporated as if fully set forth herein. The term “Lease” shall mean the Lease as amended hereby, and as the parties may amend it from time to time. Any portion of the Lease that is inconsistent with this First Amendment is hereby amended to be consistent.

IN WITNESS THEREOF, the undersigned, intending to be legally bound hereby, have executed this First Amendment to the Lease as of the day and year first written above.

(This space intentionally left blank- Signatures to follow)

LESSOR:

CITY OF ALBUQUERQUE
A New Mexico municipal corporation

Sarita Nair, Chief Administrative Officer

Date

Recommended by:

Bernard R. Toon, Director
Transit

Date

LESSEE:
NATIONAL RAILROAD PASSENGER CORPORATION

David Handera, Vice President Stations
Properties and Accessibility

Date

Witness:

Date