



CITY OF ALBUQUERQUE
Albuquerque, New Mexico
Office of the Mayor


EC-19-481

Mayor Timothy M. Keller

September 11, 2019

INTER-OFFICE MEMORANDUM

TO: Klarissa Peña, City Council President

FROM: Timothy M. Keller, Mayor 

SUBJECT: Extension and Third Amendment of Lease between Coronado Center L.L.C. and the City of Albuquerque – Lucky Paws Pet Adoption Center

The Lucky Paws Pet Adoption Center at Coronado Center is a venue to promote the adoption of shelter animals and increase the live exits of adoptable animals in the City of Albuquerque. The Animal Welfare Department requests to extend the existing lease for an addition 4 years.

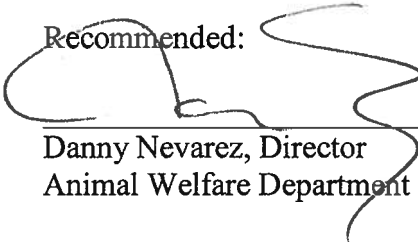
The existing lease expires December 31, 2019. If approved, the lease will be extended through December 31, 2024. The current annual rent is \$98,884.20. The lease extension has been negotiated to remain at a flat annual rent rate of \$98,892.00, January 1, 2020 to December 31, 2022, and increasing to an annual rent rate of \$100,375.38, January 1, 2023 to December 31, 2024. Total cost for the 4 year extension is \$398,534.76.


This Extension and Third Amendment of Lease is forwarded to City Council for approval.

Title/Subject of Legislation: Extension and Third Amendment of Lease between Coronado Center L.L.C. and the City of Albuquerque – Lucky Paws Pet Adoption Center

Approved: 

Sarita Nair Date 9/20/19
Chief Administrative Officer

Recommended: 

Danny Nevarez, Director Date 9/12/19
Animal Welfare Department  9/12/19

Cover Analysis

1. What is it?

Extension and Third Amendment of Lease between Coronado Center L.L.C. and the City of Albuquerque – Lucky Paws Pet Adoption Center

2. What will this piece of legislation do?

If approved this would allow the Animal Welfare Department to continue operations of the Lucky Paws Pet Adoption Center January 1, 2020 through December 31, 2024.

3. Why is this project needed?

The Lucky Paws Pet Adoption Center at Coronado Center is a venue to promote the adoption of shelter animals and increase the live exits of adoptable animals in the City of Albuquerque.

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

Total cost for City is \$398,534.76 and will be funded by our General Fund appropriation.

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

No revenue source projected.

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

If not approved, the City will need to surrender the premises and the Animal Welfare Department will be forced to search for a new location for its pet adoption center. In the alternative, Coronado Center may allow the City to continue to occupy the space as a month-to-month tenant, subject to holdover rent, which is likely to be at an increased rate.

7. Is this service already provided by another entity?

No.

EXTENSION AND THIRD AMENDMENT OF LEASE

THIS EXTENSION AND THIRD AMENDMENT OF LEASE ("Amendment") is made and dated _____, 20____, entered into between CORONADO CENTER L.L.C., a Delaware limited liability company ("Landlord") and City of Albuquerque, a New Mexico municipal corporation, d/b/a "Lucky Paws Pet Adoption Center" ("Tenant").

Under the lease dated **October 23, 2006** (which with any and all amendments is the "Lease"), Landlord leased to Tenant premises numbered **L-020** containing a total area of approximately **3,015** square feet in the **Coronado Center Shopping Center** (the "Leased Premises"). Under the Rental Abatement Agreement dated **September 15, 2010**, the Lease was modified. Under the Extension and First Amendment of Lease dated **October 18, 2011**, the Lease was further modified. Under the Extension and Second Amendment of Lease dated **August 1, 2014**, the Lease was further modified.

In consideration of the mutual benefits and covenants contained in this Amendment, the sum of **\$10.00** paid by each party to the other, the consideration Landlord may be entitled to under the Lease payable to Landlord upon demand and for other good and valuable consideration (the receipt and sufficiency of which is acknowledged), it is agreed that effective **as of the date hereof** (the "Effective Date"):

1. The Term of the Lease as set forth in ARTICLE 1 of the Lease shall be and is hereby extended for a period of **five (5) years**, beginning on **January 1, 2020** and ending on **December 31, 2024** (the "Third Extension Period"), upon the following terms and conditions:

a. During the Third Extension Period, the Minimum Annual Rental pursuant to Reference Provision 1.07 and Article 4(a) of the Lease shall be payable as follows:

1/1/2020 -	12/31/2022	\$98,892.00 per year	(\$8,241.00 per month)
1/1/2023 -	12/31/2024	\$100,375.38 per year	(\$8,364.62 per month)

b. During the Third Extension Period, Tenant does not contribute towards real state taxes.

c. During the Third Extension Period, Paragraphs 2, 3, 4, 5, 6, and 7 of the Extension and First Amendment shall remain applicable.

d. During the Third Extension Period, Paragraph 2 of the Second Extension and Second Amendment shall remain applicable.

2. Notwithstanding anything in the Lease to the contrary, Landlord agrees that Tenant shall not be obligated to use the Granite Grid Telecommunication Systems and, in lieu thereof, Tenant may continue to use its own dedicated, private and secure telecommunication system.

3. The Lease shall be construed under the laws of the State of New Mexico. The Landlord and Tenant agree that venue for any suit, action, or proceeding arising out of the Lease and the Extension and Third Amendment of Lease shall be in Bernalillo County, New Mexico. The parties irrevocably admit themselves to, and consent to, the jurisdiction of said court.

4. The Lease is not otherwise modified and remains ratified and confirmed.

5. This Amendment, the Extension and First Amendment, the Second Extension and Second Amendment and the Lease shall be considered, for all intents and purposes, one instrument. In the event of any conflict between the terms and provisions of this Amendment and the terms and provisions of the Lease, the terms and provisions of this Amendment shall, in all instances, prevail. If any provision of this Amendment or the application thereof to any person or circumstance is or becomes illegal, invalid or unenforceable, the remaining provisions hereof shall remain in full force and effect and this Amendment shall be interpreted as if such illegal, invalid or unenforceable provision did not exist herein.

6. Each provision of the Lease and this Amendment shall extend to and shall bind and inure to the benefit of Landlord and Tenant, their respective heirs, legal representatives, successors and assigns. Tenant hereby warrants and certifies to Landlord that: (i) Tenant is a corporation duly organized and in good standing under the laws of the State of **New Mexico**; (ii) Tenant is authorized to do business in the State of **New Mexico** and to execute and deliver this Amendment; and (iii) the person executing this Amendment is authorized and empowered to bind the corporation to the terms of this Amendment by his or her signature hereto.

TENANT:

City of Albuquerque, a municipal corporation

dba "Lucky Paws Pet Adoption Center"

By: _____
Sarita Nair, Chief Administrative Officer

Recommended:

By: _____
Danny Nevarez, Director
Animal Welfare Department

LANDLORD:

CORONADO CENTER L.L.C., a Delaware limited liability company

By: _____
Authorized Signatory

If Tenant is a CORPORATION, the authorized officers must sign on behalf of the corporation and indicate the capacity in which they are signing. The Amendment must be executed by the President or Vice-President and the Secretary or Assistant Secretary, unless the bylaws or a resolution of the board of directors shall provide otherwise, in which case, the bylaws or a certified copy of the resolution must be attached to this Amendment. The appropriate corporate seal must also be affixed.