



**Authorization to Amend and Restate Lease with Enterprise Leasing Company of Phoenix, LLC to Extend Term at 1945 W. Dunlap Ave., Suite 4 (Ordinance S-44699)**

Request to authorize the City Manager, or his designee, to amend and restate a lease with Enterprise Leasing Company of Phoenix, LLC (Enterprise) to extend the lease term for a five-year period with one five-year renewal option, and to incorporate standard City required provisions. Further request authorization for the City Treasurer to accept all funds related to this item. Revenue during the first year of the renewal period will be \$15,600, plus applicable taxes.

**Summary**

Village Shopping Center, located near the southwest corner of 19th and Dunlap avenues, was acquired in 2010 via voluntary sale to facilitate Phase I of Northwest Extension of the Light Rail project and upcoming Phase II of Northwest Extension. As part of the acquisition, the City assumed a private lease with Enterprise for approximately 1,300 square feet of office space and parking for up to 25 cars. The City needs to maintain ownership of this property because of future project needs over the next five years.

The current contract term expires June 30, 2018. Enterprise is a long-term tenant in good standing at this location and requested to extend the term for a five-year period with one five-year renewal option. Base rent for the first year will be \$12.00 per square foot with annual 3 percent increases thereafter, which is within the range of market rents as determined by the Finance Department's Real Estate Division.

**Contract Term**

The contract will be amended to extend the term for one five-year period commencing July 1, 2018, with one five-year renewal option at the City's discretion.

**Financial Impact**

Revenue during the first year of the renewal period will be \$15,600, plus applicable taxes.

**Concurrence/Previous Council Action**



The lease was assumed through acquisition authorized by Ordinance S-35299, adopted July 2, 2008. Ordinance S-37261, adopted July 2, 2010, authorized lowering rent to a rate consistent with market conditions in exchange for a two-year extension.

**Location**

1945 W. Dunlap Ave., Suite 4  
Council District: 5

**Responsible Department**

This item is submitted by Deputy City Manager Mario Paniagua and the Public Transit and Finance departments.