

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARROLLTON, TEXAS, MODIFYING A LEASE AGREEMENT BY AND BETWEEN THE CITY AND MKNC III LLC, FOR THE USE OF CITY OWNED REAL PROPERTY AT 1309 SOUTH BROADWAY STREET; AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A MODIFIED LEASE AGREEMENT WITH MKNC III LLC; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Carrollton, Texas (“City Council”), reached an agreement with the owners to purchase blighted property at 1309 South Broadway, City of Carrollton, Dallas County (“Property”) on January 6, 2015; and

WHEREAS, the lease of the 7,668-square-foot Property for use as a restaurant is beneficial to the City and the economic development of Downtown Carrollton; and

WHEREAS, the City agreed to a 120-month lease term with MKNC III, LLC (“Company”) on October 13, 2015 to operate a 1,400-square-foot restaurant as Monkey King Noodle Company on the Property; and

WHEREAS, the rising cost of construction in the Dallas/Fort Worth Metroplex and the extent of the work required to make the site viable caused the City and the Company to reevaluate the lease terms; and

WHEREAS, both parties are committed to the success of Monkey King Noodle Company at the Property and are willing to contribute additional capital to the project and modify the lease to allow for subleases at the discretion of the City; and

WHEREAS, Company has agreed to pay a modified annual lease rate of \$12.00 per square foot for the first five years and \$14.00 per square foot for the second five years; and

WHEREAS, City has agreed to provide additional funds for tenant improvements, to restore the existing structure, in an amount not to exceed One Hundred Forty-Five Thousand and NO/100 (\$145,000.00) for a total tenant improvement amount not to exceed Three Hundred and Ten Thousand and NO/100 Dollars (\$310,000.00); and

WHEREAS, upon review and consideration of the terms of the lease, and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and that the City Manager shall be authorized to negotiate and execute an agreement with Company on behalf of the City of Carrollton;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CARROLLTON, TEXAS, THAT:

Section 1

All of the above premises are found to be true and correct legislative and factual findings of the City Council, and they are hereby approved, ratified and incorporated into the body of this Resolution as if copied in their entirety.

Section 2

The City Manager is hereby authorized to negotiate and execute a modified lease agreement and all other documents in connection therewith on behalf of the City of Carrollton, substantially according to the terms and conditions set forth in this Resolution.

Section 3

This Resolution shall take effect upon passage.

DULY PASSED AND APPROVED by the City Council of the City of Carrollton, Texas this 5th day of April, 2016.

CITY OF CARROLLTON, TEXAS

Matthew Marchant, Mayor

ATTEST:

Laurie Garber, City Secretary

APPROVED AS TO FORM:

Meredith A. Ladd
City Attorney

APPROVED AS TO CONTENT:

Krystle Nelinson
Development Program Manager

Ravi Shah
Director of Development Services