

ORDINANCE NO. 1271

AN ORDINANCE TO APPROVE A LEASE AGREEMENT BETWEEN THE TOWN OF SILVER CITY AND WASHINGTON FEDERAL SAVINGS AND LOAN PURSUANT TO THE PROVISIONS OF CHAPTER 48, ARTICLE II, SECTIONS 48-20 ET SEQ. OF THE TOWN OF SILVER CITY MUNICIPAL CODE

WHEREAS, on August 31, 2000 the Town of Silver City entered into a long-term lease with Bank of America (“B of A”) for a portion of Town-owned premises located at 1203 North Hudson Street and 119 11th Street, Silver City, commonly referred to as the “Town Annex” and “Motor Bank Facility”, respectively, and together referred to herein as the “Bank Facility”; and

WHEREAS, said lease was for a term of ten years, extending to August 31, 2010, with the option of two five-year extensions; and

WHEREAS, in a document referenced as First Amendment To Lease Agreement dated February 8, 2011 said lease was extended to August 31, 2015 by mutual agreement of the parties and pursuant to the option to extend contained in the initial lease; and

WHEREAS, in late 2013, with the Town’s consent, B of A assigned its interest in the aforesaid lease to Washington Federal Savings and Loan (WFSL”), and with such assignment, WFSL agreed to all the terms and conditions of the initial lease as amended; and

WHEREAS, in a document referenced as Second Amendment To Lease Agreement dated in 2015, the amended lease was again extended to August 31, 2020, all pursuant to the option-to-extend contained in the initial lease; and

WHEREAS, WFSL has now requested an additional two-year extension of the amended lease to terminate on August 31, 2022; and

WHEREAS, Chapter 48, (Town Property), Article II (Sale, Lease, or Exchange), Section 48-20 et seq. permits the long-term lease of Town-owned property to third parties; and

WHEREAS, the Town Council finds that due to the previous and continuing use of the demised property, such property is not essential to municipal purposes and, further, that competitive bidding for the lease agreement is not appropriate; and

WHEREAS, the Town Council of the Town of Silver City desires to authorize the Town Manager to execute a new lease agreement covering the demised property mentioned in and identical to the property covered in the initial and amended lease; and

WHEREAS, the lease contemplated herein shall also bind WFSL to all prior terms and conditions mentioned in said initial amended lease; and

WHEREAS, the Town Council finds that the adoption of this ordinance is necessary for the health, safety and welfare of the Town and its inhabitants;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF SILVER CITY, GRANT COUNTY, NEW MEXICO, that:

(A) The Town Council authorizes the Town Manager to execute a two-year lease agreement between the Town and Washington Federal Savings and Loan, commencing September 1, 2020 and terminating August 31, 2022, which agreement shall incorporate by reference all the relevant terms and conditions contained in the initial long-term and lease agreement between the Town and Bank of America dated August 31, 2000, and as subsequently amended.

(B) The Town Council authorizes the Town Manager, at his discretion, to execute an additional two-year extension to Washington Federal Savings and Loan commencing September 1, 2022, under the terms and conditions mentioned herein.

PASSED, ADOPTED AND APPROVED by vote of the Council of the Town of Silver City, Grant County, New Mexico, this _____ day of _____, 2018.

TOWN OF SILVER CITY

(Seal)

Ken Ladner, Mayor

Attest:

Ann L. Mackie, Town Clerk