CITY OF JOPLIN
COUNCIL AGENDA ITEM

ITEM
Council Bill 2024-124 – authorizing a Lease Renewal with TAMKO Building Products, LLC (TAMKO) for a hangar located at the Joplin Reginal Airport, authorizing the City Manager to execute the same by and on behalf of the City of Joplin.

MEETING DATE
June 3, 2024

ORIGINATING DEPT
Public Works/Airport

ATTACHMENTS
CB2024-124 Ordinance; Lease Agreement

REVIEWED BY
Director of Public Works, Daniel Johnson; Director of Finance, Leslie Haase; City Attorney, Peter Edwards; Assistant City Manager, Tony Robyn; City Manager, Nicholas Edwards

SUMMARY
This Council Bill will approve a Lease Renewal between the City of Joplin and TAMKO for a hangar located at the Joplin Regional Airport. It will take effect on June 18, 2024.

BACKGROUND
The City of Joplin and TAMKO entered into a lease agreement on June 9, 2009, for a corporate hangar located at the Joplin Regional Airport. The initial agreement was for a term of 5 years. The agreement was extended for two additional terms of five years each which resulted in the original lease set to expire in June 2024. Both parties have agreed to the terms of a new lease. The details are provided in Exhibit "A".

FUNDING SOURCE
N/A

RECOMMENDATION
Staff recommends approval of this Council Bill on first reading.

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FIRST AMENDMENT TO LEASE WITH OPTION FOR A LEASE RENEWAL

This Lease Renewal ("this Lease Renewal") is made and entered into as of this 20th day of May 2024 ("the Effective Date"), by and between the City of Joplin, Missouri, a Missouri Municipal Corporation ("Lessor"), and TAMKO Building Products LLC, a Delaware limited liability company formerly known as TAMKO Building Products, Inc. ("Lessee"), and with Lessor and Lessee being referred to collectively as "the Parties."

WHEREAS, the Parties entered into a Lease Agreement on or about June 9, 2009, attached hereto and incorporated by reference as Exhibit A ("the Agreement").

WHEREAS, on May 15, 2019, Lessee converted from a Missouri corporation to a Delaware limited liability company and changed its name from TAMKO Building Products, Inc. to TAMKO Building Products LLC.

WHEREAS, the Parties completed the initial term of the Agreement and two (2) five (5) year renewal terms.

WHERAS, the Parties desire to extend the Agreement for another five (5) year term with the option for two (2) renewal terms.

WHEREAS, the Parties wish to amend Sections 4.01, 4.02, and 5.01 of the Agreement to update certain language and the rental amount for the extension and renewal terms.

NOW, THEREFORE, in exchange for valuable consideration each received from the other, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

The Lease Agreement shall be revised to include new sections as follows:

ARTICLE IV – TERM OF LEASEHOLD

4.01. INITIAL TERM. The initial term of this Lease shall be for a period of five (5) years commencing on July 1, 2024, and ending June 30, 2029.

4.02 OPTIONS TO RENEW. Lessee shall have the option to renew this Lease upon the same terms and conditions for two (2) successive five (5) year terms following the initial term. Lessee shall be required to give written notice to Lessor not less than ninety (90) days prior to the expiration of the preceding term, of Lessee's intent to exercise each option for a renewal term.

ARTICLE V – RENTALS AND FEES

5.01 HANGAR RENTAL FOR INITIAL LEASE TERM. For the Demised Premises leased hereunder, Lessee shall pay to Lessor hangar lease rent in the amount of Two Hundred Twenty

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Thousand, Eight Hundred Fifty-One Dollars, Twenty-One Cents ($220,851.21), to be paid in sixty (60) equal monthly installments of Three Thousand, Six Hundred Eighty Dollars, Eighty-Five Cents ($3,680.85) per month, payable in advance on the 1st day of every month, the first payment being due on July 1, 2024. In the event that Lessee desires to renew this lease as described in Paragraph 4.02, monthly rent due and payable hereunder shall be increased for the next five (5) year renewal term to an amount equal to the sum of the amount of monthly rent payable in the last month of the previous five (5) year term, plus the product of the amount of the monthly rent payable in the last month of the previous five (5) year term multiplied by seven percent (7%). No failure by Lessor to notify Lessee of the amount of the rent increases due hereunder shall relieve Lessee from responsibility for payment thereof and should, through inadvertence, Lessor fail or neglect to notify Lessee of the amount of such rent increases until after the same are to become effective, the same shall become effective retroactive to the date on which the same were to be adjusted, and Lessee shall pay the full amount of any resulting arrearages in a lump sum upon Lessor's demand.

4. All other terms, conditions, and requirements of the Agreement, including the remaining sections of Articles IV and V, shall remain in full force and effect, except as modified by this First Amendment.

IN WITNESS WHEREOF, the Parties have caused these presents to be executed in duplicate as of the day and year first above written.

CITY OF JOPLIN, MISSOURI

_____
Nicholas Edwards,
City Manager

ATTEST:

_____
Holly Nagy, City Clerk

TAMKO Building Products LLC

David C. Humphreys
By: David C. Humphreys
Title: Chairman and Chief Executive Officer

FORM REVIEWED BY TAMKO LEGAL DEPARTMENT
Jim Wicks
05-20-2024

ATTEST:

James V. Wicks

COUNCIL BILL NO. 2024-124 **ORDINANCE NO.**

AN ORDINANCE authorizing a Lease Renewal with TAMKO Building Products, LLC (TAMKO), for a hangar located at the Joplin Regional Airport, authorizing the City Manager to execute the same by and on behalf of the City of Joplin.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, as follows:

Section 1. That the agreement by and between the City of Joplin and TAMKO, a true and accurate copy of said agreement being attached hereto and incorporated as "Exhibit A," is hereby approved.

Section 2. That the City Manager of the City of Joplin, Missouri, or his designee, is hereby authorized and directed to execute said agreement, or agreement in substantially similar form, by and on behalf of the City of Joplin.

Section 3. That this Council Bill shall have an effective date of June 18, 2024.

PASSED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, this _____ day of _____, 2024, by a _____ vote.

_____
Keenan T. Cortez, Mayor

ATTEST:

_____
Holly Nagy, City Clerk

APPROVED AS TO FORM

_____
Peter C. Edwards, City Attorney