

**RESOLUTION NO. 23-07**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF CASTLE PINES, COLORADO APPROVING A FIRST AMENDMENT  
TO LEASE AGREEMENT WITH PT VILLAGE SQUARE LLC FOR MUNICIPAL  
OFFICE SPACE**

WHEREAS, Section 1.3 of the Castle Pines Home Rule Charter authorizes the City to enter into leasehold agreements; and

WHEREAS, the City Council of the City of Castle Pines previously entered into a commercial lease dated as of June 30, 2020 (“Lease”) with PT Village Square LLC (“Landlord”), for the lease of approximately 1,728 square feet (identified in the Lease as 1605 square feet) of office space in the premises known as 7437 Village Square Drive, Unit 215, Castle Pines, CO 80108 (the “Premises”); and

WHEREAS, the City and Landlord desire to amend the Lease to increase the leased area to a total amount of 5,632 square feet and to extend the term of the Lease for a five (5) year term, commencing on February 1, 2023 and terminating on January 31, 2028, as set forth in the First Amendment to Lease Agreement, attached hereto and incorporated in this Resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CASTLE PINES, COLORADO:**

**Section 1. Approval.** The City Council hereby approves a First Amendment to Lease Agreement by and between PT Village Square LLC and the City of Castle Pines, in substantially the same form as attached hereto as **Exhibit A**, subject to minor modifications approved by the City Manager and City Attorney.

**Section 2. Effective Date.** This Resolution shall take effect upon its approval by the City Council.

**INTRODUCED, READ AND ADOPTED AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF CASTLE PINES BY A VOTE OF 7 IN FAVOR, 0 AGAINST AND 0 ABSENT THIS 24 DAY OF JANUARY, 2023.**



ATTEST:

*Tobi Duffey*

Tobi Duffey, MMC, City Clerk

*Tracy Engerman*  
Tracy Engerman (Feb 10, 2023 12:47 MST)

Tracy Engerman, Mayor

Approved as to form:

*Linda C. Michow*

Linda C. Michow, City Attorney

**EXHIBIT A**  
**FIRST AMENDMENT TO LEASE**

**FIRST AMENDMENT TO LEASE AGREEMENT**

This FIRST AMENDMENT TO VILLAGE SQUARE AT CASTLE PINES LEASE AGREEMENT (“Amendment”), dated January 16, 2023, (the “Effective Date”) is entered into by and between PT VILLAGE SQUARE LLC, a Colorado limited liability partnership (“Landlord”) and THE CITY OF CASTLE PINES, COLORADO, a Home-rule municipal corporation (“Tenant”), whose address is 360 Village Square Lane, Suite B, Castle Pines, CO 80108.

**RECITALS:**

Landlord and Tenant previously entered into a written Commercial Lease dated as of June 30, 2020, by and between Landlord and Tenant (collectively, the “Lease”), pertaining to approximately 1,605 rentable square feet (“RSF”) of space in the premises known as 7437 Village Square Drive, Unit 215, Castle Pines, CO 80108 (the “Premises”).

1. Landlord and Tenant desire to amend the Lease in the manner and form hereinafter set forth.
2. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Lease.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. Extension Term. The term of the lease shall be extended for a period of sixty (60) months commencing February 1, 2023 (the “Extension Commencement Date”) and terminating on January 31, 2028 (the “Extension Term”).
2. Leased Premises. The Leased Premises of 1,605 sf contained in Unit 215 (which is stated in the Lease – however by survey on 12/15/2023 – is corrected to 1,728 sf), plus 2,078 sf contained in Unit 212, plus 1,826 sf contained in Unit 200, for a grand total of 5,632 sf.
3. Base Rent. Commencing on the Extension Commencement Date, Tenant shall pay Base Rent monthly, in advance, in the manner as set forth in the Lease, with 3% annual increases over the life of the Lease, as follows:

<u>Period</u>	<u>Rate per SF</u>	<u>SF</u>	<u>Monthly Base Rent</u>	<u>Annual Base Rent</u>
2/1/2023 – 6/30/2023	\$16.40	5,632	\$7,697.07	\$38,485.35
7/1/2023 – 6/30/2024	\$16.90	5,632	\$7,931.73	\$95,180.80
7/1/2024 – 6/30/2025	\$17.40	5,632	\$8,166.40	\$97,996.80
7/1/2025 – 6/30/2026	\$17.92	5,632	\$8,410.45	\$100,925.44
7/1/2026 – 6/30/2027	\$18.46	5,632	\$8,663.89	\$103,966.72
7/1/2027 – 1/31/2028	\$19.01	5,632	\$8,922.02	\$62,454.14

4. Additional Rent. In addition to the Base Rent specified above, and in addition to all other amounts for which Tenant is obligated under the Lease, Tenant shall continue to pay as Additional Rent, Tenant’s Pro Rata Share of Common Area and Center Charges as defined in the Lease. The 2023 estimated CAM (less property tax) is *estimated* to be \$10.17/sf.

5. Lease Extension. Tenant acknowledges and agrees that it shall have one (1) additional option to extend the term of the Lease an additional three (3) years (“Extension Term”) at the then-current market rate, to begin immediately upon the Expiration of the Lease Term (without the necessity of executing a new Lease therefor, to run successively thereafter upon the same terms, provisions and conditions as contained in this Lease, except for the rental provisions hereinafter set forth. Notice of exercise of the Extension Option shall be in writing to the Landlord and shall be given not more than 12 months nor less than 180 days prior to the expiration of the Lease Term, subject to modification of such notice period in the Landlord’s sole and absolute discretion. After the exercise of the Extension Option, if at all, there shall be no further rights on the part of Tenant to extend the Lease Term. If the Lease is terminated prior to exercise of the Extension Option, the right to exercise such Extension Option shall be null and void.
6. Allowance. Tenant Improvement Allowance: Landlord will reimburse Tenant for the construction up to an amount not to exceed \$21,000 towards tenant improvements, (the Allowance”). Landlord, in its reasonable discretion, shall approve Tenant’s plans and specifications prior to Tenant beginning work. Landlord shall reimburse Tenant for its actual costs with twenty (20) days of Tenant’s submittal of lien waivers contingent on payment to the contractor, subcontractor and supplier and a detailed accounting of costs up to the date of the request for draw against Allowance but with a maximum amount equal to the Allowance. All Tenant Improvements paid for with the Allowance will become the property of Landlord upon termination of the Lease or Tenant’s earlier vacation of the Premises. Tenant shall be solely responsible for any costs incurred over the Allowance.
7. Brokers. Tenant hereby warrants and represents to Landlord that it has not engaged any brokers or agents in the transaction which resulted in this First Amendment.
8. Other Terms. If there is any conflict between the terms and provisions of this First Amendment and the terms and provisions of the Lease, the terms and provisions of this First Amendment shall govern. Except as herein specifically set forth, all other provisions of the Lease shall remain in full force and effect and the Lease, as hereby amended are hereby reinstated, ratified and affirmed by the parties, and are binding upon the parties in accordance with their terms.
9. Reserved. N/A
10. Counterparts. This First Amendment may be executed in one or more separate counterparts but each separate counterpart, when assembled with the other signature pages from the corresponding counterpart signature pages, shall constitute one original executed First Amendment. The Parties specifically acknowledge and agree that electronic signatures shall be effective for all purposes, in accordance with the provisions of the Uniform Electronic Transactions Act, Title 24, Article 71.3 of the Colorado Revised Statutes.

[Signatures appear on following page]

FINAL DRAFT

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS FIRST AMENDMENT AS OF THE DAY AND YEAR FIRST WRITTEN ABOVE.

LANDLORD:

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By: Andrew Biggs  
Title: Manager, PT Village Square LLC, a  
Colorado limited liability company

TENANT:

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By: Michael Penny  
It's: City Manager, City of Castle Pines