

RESOLUTION NO. 13626-23

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AND THE CITY CLERK TO ATTEST, ON BEHALF OF THE CITY OF NEWPORT NEWS, VIRGINIA, THAT CERTAIN FIRST LEASE AMENDMENT BY AND BETWEEN PCT, LLC, AND THE CITY OF NEWPORT NEWS, VIRGINIA, DATED THE 11TH DAY OF APRIL, 2023, FOR OFFICE SPACE LOCATED AT 610 THIMBLE SHOALS BOULEVARD, IN THE CITY OF NEWPORT NEWS, VIRGINIA.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Newport News:

1. That it hereby authorizes and directs the City Manager to execute and the City Clerk to attest, on behalf of the City of Newport News, Virginia, that certain First Lease Amendment by and between PCT, LLC, and the City of Newport News, Virginia, dated the 11th day of April, 2023.
2. That a copy of the said First Lease Amendment is attached hereto and made a part hereof.
3. That this resolution shall be in effect on and after the date of its adoption, April 11, 2023.

PASSED BY THE COUNCIL OF THE CITY OF NEWPORT NEWS ON APRIL 11, 2023

Mabel Washington Jenkins, MMC
City Clerk

Phillip D. Jones
Mayor

A true copy, teste:

City Clerk

FIRST LEASE AMENDMENT

THIS FIRST LEASE AMENDMENT is made this 11th day of April, 2023, by and between **PCT, LLC**, a Virginia limited liability company (“Lessor”) and the **CITY OF NEWPORT NEWS, VIRGINIA**, a municipal corporation of the Commonwealth of Virginia (“Lessee”).

RECITALS

WHEREAS, Lessor and Lessee have previously entered into a Lease Agreement dated April 14, 2020, expiring on April 30, 2025 (the “Lease Agreement”), for the premises known as Building 5 (Suite 500) and Building 6, located at 610 Thimble Shoals Blvd., Newport News, Virginia (“Leased Premises”), consisting of 16,746 square feet; and

WHEREAS, Lessor and Lessee desire to amend the Lease Agreement to expand the premises and extend the lease term.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee agree to amend the Lease Agreement as follows:

- Premises Expansion.** Lessee shall add to its Leased Premises an additional 2,651 sq ft, known as Suite 101/102 (“Expansion”), which shall increase its total square footage to 19,397 sq ft;
- Lease Term.**
 - Expansion (101/102): Term shall run from May 1, 2023 to April 30, 2030;
 - Bldg. 5 & 6: Term shall be extended for five (5) years and shall expire on April 30, 2030;
- Rental Rate.** Lessee’s rental rate shall continue to escalate by 2% annually in accordance with the following schedule:

Period	Rent PSF	Leased SF	Monthly	Annual
5/1/22 – 4/30/23	\$ 11.44	16,746	\$15,964.52	\$ 191,574.24
5/1/23 – 4/30/24	\$ 11.6688	19,397	18,861.64	226,339.71
5/1/24 – 4/30/25	\$ 11.9022	19,397	19,238.91	230,866.97
5/1/25 – 4/30/26	\$ 12.1402	19,397	19,623.62	235,483.45
5/1/26 – 4/30/27	\$ 12.3830	19,397	20,016.09	240,193.05
5/1/27 – 4/30/28	\$ 12.6307	19,397	20,416.47	244,997.68
5/1/28 – 4/30/29	\$ 12.8833	19,397	20,824.78	249,897.37
5/1/29 – 4/30/30	\$ 13.1410	19,397	21,241.33	254,895.97

- All other terms and conditions of the original Lease Agreement are hereby ratified and shall remain in full force and effect, except as altered herein.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this First Lease Amendment as of the date first written above.

Lessee: City of Newport News, Virginia

Lessor: PCT, LLC

By: _____
Cynthia D. Rohlf, City Manager

By: _____
Chris Canavos, Member

Approved as to Form:

City Attorney

Attest:

City Clerk