

ORDINANCE NO. 2017-052

AN ORDINANCE APPROVING THE FIRST AMENDMENT TO THE WILLIAMS TRADE SQUARE PARKING SPACES LEASE AGREEMENT BETWEEN THE CITY OF DENTON AND WELLS FARGO BANK, AUTHORIZING THE CITY MANAGER TO EXECUTE THE FIRST AMENDMENT TO THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on October 4, 2011, the City entered an agreement with Wells Fargo Bank to provide rental of parking spaces at Williams Trade Square, the Original Agreement (Ordinance 2011-184); and

WHEREAS, Wells Fargo Bank is being required to modify its existing leases under mandate by applicable federal law; and

WHEREAS, the parties find that it is beneficial to amend the Original Agreement to add the terms detailed in Exhibit A, attached hereto as the First Amendment; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The City Manager of the City of Denton, Texas, is hereby authorized to execute the First Amendment to the Original Agreement between the City of Denton and Wells Fargo Bank, in the form attached hereto as Exhibit A and is incorporated by reference herein.

SECTION 2. This Ordinance shall become effective immediately upon its passage and approval.

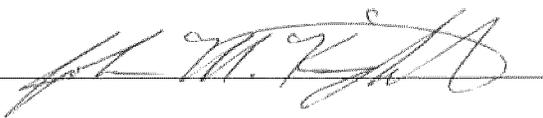
PASSED AND APPROVED this the 21 day of February, 2017.


CHRIS WATTS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: Jane Richardson, Asst.

APPROVED AS TO LEGAL FORM:
AARON LEAL, INTERIM CITY ATTORNEY

BY: 



Wells Fargo & Co.
 Corporate Properties Group
 Attn: Lease Admin/Cynthia Burns
 MAC D1086-300
 550 S. Tryon St., 30th Floor
 Charlotte, NC 28202
 Email: LeaseRRP@WellsFargo.com

January 20, 2017

By FedEx Overnight Delivery

City Of Denton
 Attn: Julie Glover
 101 S. Locust, Suite 500
 Denton, TX 76201

Re: Wells Fargo's "Living Will" & Lease Agreement (as amended, if amended) between Landlord and Wells Fargo for 101 S LOCUST ST. Denton, TX (collectively, the "Lease") - BE#101374 Parking

Dear Landlord:

As you may be aware, all large financial services companies, including Wells Fargo, are required by federal law to file a resolution plan (sometimes called a "living will") with federal regulators to ensure the orderly resolution of the company's assets in case of material financial distress or failure.

In general, federal law already provides federal regulators the means to resolve a financial company's assets in case of insolvency. For example, applicable law grants the FDIC the right to enforce a lease against a landlord even if the lease includes remedies for tenant insolvency.

Even so, the federal guidance document for financial institution resolution plans provides that financial services companies must update leases to incorporate terms and conditions to prevent the automatic termination of a lease in case of tenant insolvency.

Therefore, we crafted applicable resolution event terms to include in the Lease. These terms are set forth in Exhibit A attached to this letter. In general, the resolution event terms restate existing law. Nevertheless, federal regulators require that we include resolution event terms in all our leases regardless.

Therefore, to comply with the governmental requirement to update our leases, please sign this letter below indicating your agreement to amend the Lease to include the Resolution & Recovery terms set forth in Exhibit A attached hereto and return the signed letter within five business days to the address set forth in the upper right hand corner of this letter.

Thank you for your cooperation. If you have any questions, please email LeaseRRP@WellsFargo.com.

Very truly yours,

Cynthia J. Burns
 Lease Management Operations Manager
 Corporate Properties Group

Accepted & Agreed this 22nd day of February 2017

Landlord: Todd Hilman

By: _____

Signer Name: Todd Hilman

Title: City Manager

APPROVED AS TO FORM:
 CITY ATTORNEY
 CITY OF DENTON, TEXAS

Contract# 10137420003

BY:



EXHIBIT A
Resolution & Recovery

1. Tenant, as a highly regulated entity, is subject to countless laws, rules, and regulations, as well as oversight by various governmental agencies, in connection with Tenant's financial operations at the Premises. As determined by these various governmental agencies, Tenant's ability to occupy the Premises for the Permitted Use, notwithstanding the occurrence of (i) a proceeding under any bankruptcy, debtor relief, resolution, or insolvency law (including a case under the U.S. Bankruptcy Code, a proceeding under the Securities Investor Protection Act, or the appointment of a receiver or conservator under the Federal Deposit Insurance Act or Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act), (ii) any equivalent proceeding under any other U.S. or foreign law, or (iii) other similar proceeding or event (any such proceeding or event, a "Resolution Event"), is important to preserve the stability of domestic financial markets.

2. Therefore, notwithstanding anything set forth in this Lease to the contrary, and notwithstanding any rights granted to Landlord under any applicable Insolvency law or otherwise, if a Resolution Event occurs with respect to Tenant or any of its Affiliates (defined below), and Tenant or the applicable Affiliate (i) continues to pay all rent and other charges under this Lease timely and (ii) continues to maintain and repair the Premises, Landlord hereby irrevocably and unconditionally agrees that it shall not exercise any right, whether or not for cause (including for a material breach, a change in control, inconvenience, or change in financial condition) to terminate, modify, or prevent renewal of this Lease in whole or in part, suspend any services provided to Tenant, an Affiliate, or the Premises in whole or in part under this Lease, or otherwise exercise remedies under or in respect of this Lease arising from any default by Tenant or any Affiliate occurring as a result of a Resolution Event, or arising from any failure or delay by Tenant or any Affiliate to make any payment or perform any other obligation under the Lease accrued or due before the commencement of any Resolution Event that is cured within a reasonable period following the commencement of such Resolution Event, until eighteen (18) months after the later of (x) the final conclusion of such Resolution Event and (y) the last such Resolution Event (except as otherwise provided in Section 4 below).

3. In addition, but only in connection with a Resolution Event, Landlord hereby irrevocably and unconditionally consents to (i) any change of control of Tenant or any Affiliate in connection with a Resolution Event and (ii) to the assignment, delegation, novation, or transfer of any or all of Tenant's rights and obligations under this Lease, in whole or in part, to any entity that is or becomes (or, as of immediately prior to the Resolution Event, was) an Affiliate or a successor to the whole or a part of the business of Tenant or an Affiliate.

4. Moreover, Landlord hereby irrevocably and unconditionally agrees that if Tenant is subject to a Resolution Event and Tenant, pursuant to the law applicable to such Resolution Event, rejects, disclaims, or repudiates this Lease, or fails or refuses to perform its obligations under this Lease, this Lease shall nevertheless remain in full force and effect as between any Affiliate of Tenant that is a party to or beneficiary of this Lease (e.g., a subtenant, licensee, or other occupant of the Premises) and Landlord shall not exercise any right to terminate this Lease or otherwise exercise any right or remedy under this Lease with respect to any such Affiliate to the extent that such right arose or arises from such action so long as such Affiliate continues to perform its own obligations or the obligations assumed by it under this Lease.

5. Notwithstanding anything set forth in this Exhibit A to the contrary, Landlord is not required, even during a Resolution Event, to allow Tenant or an Affiliate to occupy the Premises for the Permitted Use after the date this Lease would otherwise expire without opportunity for further renewal.

6. "Affiliate" has the meaning given such term in Section 2(k) of the Bank Holding Company Act of 1956, as amended from time to time (12 U.S.C. § 1841(k)) (i.e., "any company that controls, is controlled by, or is under common control with another company.").

Together we'll go far

