

Mayor and Council Communication

DATE: 03/23/21

M&C FILE NUMBER: M&C 21-0213

LOG NAME: 21VERIZON LEASE AMENDMENT

SUBJECT

(CD 9) Authorize the Execution of a Sixth Lease Amendment with MCImetro Access Transmission Services, LLC d/b/a Verizon Access Transmission Services to Provide Two Additional Five-Year Renewal Term Options for the Lease in the Zipper Building, 275 West 13th Street, Fort Worth, Texas

RECOMMENDATION:

It is recommended that the City Council authorize the execution of a sixth lease amendment with MCImetro Access Transmission Services, LLC d/b/a Verizon Access Transmission Services to provide two (2) additional five (5)-year renewal term options for the lease in the Zipper Building, 275 West 13th Street, Fort Worth, Texas.

DISCUSSION:

On April 13, 2000, MCImetro Access Transmission Services, LLC d/b/a Verizon Access Transmission Services (Tenant) entered into a ten (10) year lease with three (3) five (5) year lease renewal options (City Secretary Number 47864) with Fort Worth TelCo Center Limited for the first floor office space in the Zipper Building, 275 West 13th Street (a/k/a 1111 Monroe Street), Fort Worth, Texas for use of their telecommunication operations.

The City purchased the Zipper Building on May 10, 2005, (M&C L-14052) and the lease with Tenant (successor to Fort Worth TelCo) was assigned to the City.

The Tenant is exercising the third lease renewal term provided for in the lease and it expires October 31, 2025.

The Tenant and Property Management Department desire to amend the lease to provide for two (2) additional five (5) year renewal term options, at the end of the third renewal term, to allow the Tenant to continue to provide telecommunication services.

The two (2) renewal terms are as follows:

- Fourth Renewal Term: November 1, 2025 to October 31, 2030.
- Fifth Renewal Term: November 1, 3030 to October 31, 2035.

Rent during the renewal terms will be calculated at the time of renewal in the manner set forth in the original lease.

This property is located in COUNCIL DISTRICT 9.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: Verizon

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and execution of the sixth amendment to the lease, funds will be deposited into the General Debt Service Fund. The Information Services Department (and Financial Management Services) is responsible for the collection and deposit of funds due to the City.

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Additional Information Contact: