

Mayor and Council Communication

DATE: 10/15/19

M&C FILE NUMBER: M&C 19-0239

LOG NAME: 21 9886 LAKE HAVEN LEASE

SUBJECT

Authorize Execution of a Ground Lease with Robert Omweri for City Land Under Residential Improvements Owned by Robert Omweri at 9886 Lake Haven, Fort Worth, Texas in the Amount of \$300 per Month. (COUNCIL DISTRICT 7)

RECOMMENDATION:

It is recommended that the City Council authorize the execution of a lease agreement with Robert Omweri for City property located at 9886 Lake Haven, Fort Worth, Texas 76108 on which is located a residential home owned by Robert Omweri at a monthly rent of \$300.

DISCUSSION:

On May 2, 2018, the City of Fort Worth received notice that the original lease between the City and the Lessee of the City-owned property at 9886 Lake Haven was terminated by operation of law as a result of a bankruptcy proceeding involving the previous owner of the residential improvements located at 9886 Lake Haven.

Robert Omweri purchased the improvements at a sale resulting from the bankruptcy without knowledge that the ground lease with the City had been terminated. As a result, Mr. Omweri has no long-term legal right to access the land on which his improvements are located.

To resolve the legal access issues resulting from the sale of the improvements due to the bankruptcy, Staff recommends that the City enter into an eighteen month lease at current market value to provide Mr. Omweri with access and the ability to occupy the house on City property. Mr. Omweri will be eligible to purchase the leased land in accordance with current Lake Worth Sales Program approved by Council on November 8, 2016 (M&C L-15964). No renewals or extensions are provided for in this lease.

The Lease Terms are as follows:

- **Term Length:** Eighteen (18) month term.
- **Base rent:** Primary term is \$300 per month

This agreement is expected to contribute lease revenues of approximately \$5,400.00 for the eighteen month term to the General Fund, Lake Worth Leases.

This property is located in COUNCIL DISTRICT 7.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that the Property Management Department is responsible for the collection and deposit of lease revenues due under the terms of this lease.

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