

Mayor and Council Communication

DATE: 08/12/25

M&C FILE NUMBER: M&C 25-0701

LOG NAME: 21VERIZON 7TH LEASE AMENDMENT

SUBJECT

(CD 9) Authorize the Execution of a Seventh Lease Amendment with MCIMetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services to Amend the Insurance Provisions and Confirm the Exercise of a Fourth Term Renewal Under the Lease Agreement for Space within the Building Known as the Zipper Building Located at 275 West 13th Street, Fort Worth, Texas 76102

RECOMMENDATION:

It is recommended that the City Council authorize the execution of a seventh lease amendment with MCIMetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services to amend the insurance provisions and confirm the exercise of a fourth term renewal under the lease agreement for space within the building known as the Zipper Building, 275 West 13th Street, Fort Worth, Texas 76102.

DISCUSSION:

On May 10, 2005, on Mayor and Council Communication L-14052, the City of Fort Worth (City) purchased the property known as the Zipper Building located at 275 West 13th Street, also known as 1111 Monroe Street, Fort Worth, Texas 76102 and, upon such property purchase, acquired a Standard Equipment Site Lease Agreement between MCIMetro Access Transmission Services LLC d/b/a Verizon Access Transmission Services (Verizon) and Fort Worth TelCo Center Limited, as twice amended, and filed as City Secretary Contract No. 47864 (Original Lease).

The Original Lease was executed on April 13, 2000 and provided Verizon with approximately 26,646 square feet of office space on the first floor of the Zipper Building to use as their telecommunication operations for a ten (10) year initial term and three (3), five-year term renewal options.

On December 1, 2005, the Original Lease was amended by the City and Verizon to comply with the City's municipal guidelines and was filed as City Secretary Contract No. 32736 (Current Lease).

On June 1, 2010, the Current Lease was amended to reduce the office space to approximately 8,343 square feet and to allow Verizon to exercise its first term renewal option.

On March 27, 2015, the Current Lease was amended to adjust the term renewal option notification language and to allow Verizon to exercise its second term renewal option.

On April 1, 2021, the Current Lease was amended to add two (2) additional, five-year term renewal options and to allow Verizon to exercise its third term renewal option.

The third term renewal will expire on October 31, 2025. The Property Management Department and Verizon desire to amend the Current Lease to adjust the insurance language and to allow Verizon to exercise its fourth term renewal option.

The fourth term renewal will commence on November 1, 2025 and expire on October 31, 2030. During the fourth term renewal, the rent will be \$12.59 per square foot per annum for an annual rent of \$105,038.37, payable in equal monthly installments of \$8,753.20.

Rent during any future term renewal will be determined at the time of the renewal and in the manner set forth in the Current 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 Communications Inc.

FISCAL INFORMATION / CERTIFICATION:

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

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