

Mayor and Council Communication

DATE: 03/21/23

M&C FILE NUMBER: M&C 23-0232

LOG NAME: 215000 MLK FIRST LEASE AMENDMENT

SUBJECT

(CD 5 / Future CD 11) Authorize the Execution of a First Amendment to the Lease Agreement Between the City of Fort Worth and Waste Management of Texas Incorporated (City Secretary Contract No. 47008) to Extend the Lease Term for Use of a Portion of the Property Located at 5000 Martin Luther King Freeway, Fort Worth, Texas 76119 to Coincide with the Extended Term of the Waste Collection Contract (City Secretary Contract No. 28358-E2)

RECOMMENDATION:

It is recommended that City Council authorize the execution of a First Amendment to the Lease Agreement between the City of Fort Worth and Waste Management of Texas Incorporated (City Secretary Contract No. 47008) to extend the lease term for use of a portion of the property located at 5000 Martin Luther King Freeway, Fort Worth, Texas 76119 to coincide with the extended term of the Waste Collection Contract between the City of Fort Worth and Waste Management of Texas (City Secretary Contract No. 28358-E2).

DISCUSSION:

On September 14, 2015 the City of Fort Worth (City) entered into a lease agreement with Waste Management of Texas (WMTX) to lease a portion of the City owned real property and improvements located at 5000 Martin Luther King Freeway, Fort Worth, Texas 76119 (Leased Premises) (City Secretary Contract No. 47008).

Per Section 3.01 of the lease agreement, the lease term is to coincide with the current lease term for the Waste Collection Contract (WCC) which was extended to expire March 31, 2033 (City Secretary Contract No. 28358-E2).

Consistent with the WCC, the City and WMTX desire to amend lease agreement (City Secretary Contract No. 47008) to extend the term to expire March 31, 2033.

Per the terms of the lease agreement, City is applying rent credits to offset the cost of the improvements to the Leased Premises completed by WMTX at their expense.

Due to the cost of the improvements, the base rent will be offset by rent credits and no base rent will be due from WMTX during the extended term.

This property is located in Council District 5 / Future Council District 11.

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: Waste Management of Texas, Inc.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of the recommendation will have no material effect on City funds.

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