

Mayor and Council Communication

DATE: 12/13/22

M&C FILE NUMBER: M&C 22-1019

LOG NAME: 21FWPD AT 2929 WEST 5TH STREET

SUBJECT

(CD 9) Authorize Execution of a Lease Agreement with 5th Street Partners, L.P. for the Building Located at 2929 West 5th Street, Fort Worth, Texas, 76107 to Be Used as the West 7th Street Substation by the Fort Worth Police Department

RECOMMENDATION:

It is recommended that the City Council authorize execution of a lease agreement with 5th Street Partners, L.P. for the building located at 2929 West 5th Street, Fort Worth, Texas, 76107 to be used as West 7th Street Substation by the Fort Worth Police Department.

DISCUSSION:

On August 8, 2018, Mayor & Council Communication (M&C) C-28818, City Council authorized execution of a lease agreement between the City of Fort Worth (City) and the Tarrant Regional Water District (TRWD) for space located at 308 Arthur Street, Fort Worth, Texas, 76107 (Property) to be used by the Fort Worth Police Department (FWPD) as a temporary police substation to serve the West 7th Street area until a more permanent location is identified.

On July 2022, the City of Fort Worth Property Management Department (PMD) and FWPD were notified the Property was being demolished for a new canal to be installed as part of the Panther Island Project and the FWPD would need to vacate by December 31, 2022.

Through an extensive search, PMD and FWPD identified a stand-alone building, owned by 5th Street Partners, L.P. (Owner), located at 2929 West 5th Street, Fort Worth, Texas, 76107 (Premises) and consisting of approximately 9,311 square feet to be used as the new West 7th Street Substation.

PMD and Owner, with approval of the FWPD, have agreed on the following lease terms:

- Initial Term: Five (5) years starting at a base rental rate of \$15,735.59 per month with a 2.5% rent escalation annually.
- Renewal Term: One (1) five (5) year renewal term upon expiration of the initial term.
- Rent Abatement:
 - Initial Term: No base rent for the first six (6) months of the initial term valued at \$94,413.54
 - Renewal Term: If FWPD renews the lease, the renewal rate will continue a 2.5% rent escalation annually.

Other expenses to be paid by City:

- Monthly expenses for property insurance, real estate taxes, repairs/maintenance and management fees for the Premises (Additional Expenses).
- Any increases to Additional Expenses are capped at 5% annually from the prior year.

FWPD will be responsible for the cost of internet and security of the Premises.

Owner, at their expense, is responsible for the maintenance, repair and, if needed, replacement of the HVAC system.

Approval of this M&C will provide a more permanent and convenient location for the FWPD to serve the West 7th Street area.

Funding is budgeted in the Police Department's rollup within the General Fund.

This property is located in COUNCIL DISTRICT 9.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendation, funds are available in the current operating budget, as previously appropriated, in the General Fund. Prior to an expenditure being incurred, the Fort Worth Police Department has the responsibility to validate the availability of funds.

Submitted for City Manager's Office by: Dana Burghdoff 8018

Originating Business Unit Head: Steve Cooke 5134

Additional Information Contact:

Lisa Alexander 8367

Mark Brown 5197