

Mayor and Council Communication

DATE: 08/27/19

M&C FILE NUMBER: M&C 19-0106

LOG NAME: 212019 FOREST PARK LLC

SUBJECT

Authorize Execution of a Lease with 2019 Forest Park, LLC for a Certain Piece of Land Containing Approximately 12,201.34 Square Feet, Located Adjacent to the Building at 100 North Forest Park Blvd., Fort Worth, Texas 76102 being Purchased by 2019 Forest Park, LLC., for the Purpose of Providing Parking, Signage, Beautification and Landscaping for the Building. (COUNCIL DISTRICT 9)

RECOMMENDATION:

It is recommended that the City Council authorize execution of a lease with 2019 Forest Park, LLC for a certain piece of land containing approximately 12,201.34 square feet, located adjacent to the building at 100 North Forest Park Blvd., Fort Worth, Texas 76102 being purchased by 2019 Forest Park, LLC., for the purpose of providing parking, signage, beautification and landscaping for the Building. (COUNCIL DISTRICT 9)

DISCUSSION:

On April, 21, 1975 (M&C L-4890), City Council approved the execution of a lease agreement ("Agreement") with Armac, Incorporated ("Armac") for the Lot to be used for parking, signage, beautification and landscaping for a building Armac planned to construct adjacent to the Lot. The Agreement (City Secretary Contract No. 8520) commenced on November 1, 1975 and expired October 31, 2000 with a rental rate of \$200.00 per year

The Agreement provided for a twenty five (25) year renewal period to expire October 31, 2025 per notification from the Armac.

Armac did not provide notification to renew and by mutual agreement of both parties, the Agreement has been in holdover status since October 31, 2000.

Armac is in the process of selling the constructed building to 2019 Forest Park, LLC who desires to execute a new lease agreement with the City for the Lot.

Approval of this Mayor and Council Communication will authorize the execution of a Lease Agreement with 2019 Forest Park, LLC with the following terms:

1. Primary term of twenty five (25) years at a rental rate of \$6,000.00 per year
2. A ten (10) year renewal option at a rental rate of \$ 6,600.00 per year.
3. The option to purchase the Lot from the City at Fair Market Value contingent upon agreed upon terms between all parties, subject to City Council approval.
4. The option to assign the Lease Agreement to the new owner of the adjacent building if sold by 2019 Forest Park, LLC., subject to City Council approval.

This property is located in Council District 9.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that this action will have no material effect of City Funds.

Originating Business Unit Head: Roger Venables 6334

Additional Information Contact: Mark Brown 5197