

Mayor and Council Communication

DATE: 06/09/26

M&C FILE NUMBER: M&C 26-0481

LOG NAME: 21CASA MANANA IMPROVEMENTS REIMBURSEMENT

SUBJECT

(CD 7) Authorize Execution of an Amended and Restated Lease Agreement Between the City of Fort Worth and Casa Manana, Inc. for the Casa Manana Facility Located at 3101 West Lancaster Avenue to Authorize Funding Participation by the City of \$135,000.00 for a Chiller Replacement and Authorize, Subject to Appropriation of Funds, Other Various Building Improvements through the End of Fiscal Year 2028 in an Amount Not to Exceed \$993,473.21; Adopt Appropriation Ordinance; and Amend the Fiscal Years 2026-2030 Capital Improvement Program

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the execution of an amended and restated lease agreement between the City of Fort Worth and Casa Manana, Inc. for the Casa Manana Facility Located at 3101 West Lancaster Avenue to authorize funding participation by the City of \$135,000.00 for a chiller replacement and authorize, subject to appropriation of funds, other various building improvements through the end of fiscal year 2028 in an amount Not to Exceed \$993,473.21;
2. Authorize the contribution to Casa Manana, Inc. in the amount up to \$135,000.00 as a one-time capital contribution to support repairs and/or replacements to the facility for Fiscal Year 2026;
3. Adopt the attached appropriation ordinance adjusting estimated receipts and appropriations in the General Capital Projects Fund by increasing estimated receipts and appropriations in the Casa Manana-Building Improve project (City Project No. 105881) in the amount up to \$135,000.00 and decreasing estimated receipts and appropriations in the Future Community Partnerships programmable project (City Project No. P00047) by the same amount to fund a one-time capital contribution to support a chiller replacement in Fiscal Year 2026 at the Casa Manana facility located at 3101 West Lancaster Avenue; and
4. Amend the Fiscal Years 2026-2030 Capital Improvement Program.

DISCUSSION:

The purpose of this Mayor & Council Communication (M&C) is to authorize the execution of an amended and restated lease agreement between the City of Fort Worth (City) and Casa Manana, Inc. (CMI) for the Casa Manana Facility Located at 3101 West Lancaster Avenue that will authorize additional funding by the City of \$135,000.00 for a chiller replacement and will allow, subject to appropriation of funds, for other various building improvements through the end of fiscal year 2028 in an amount not to exceed \$993,473.21.

On June 2, 1992 (via M&C C-13393), the City Council authorized the execution of a lease agreement between the City and CMI for the operation of the Casa Manana Theatre, located at 3101 West Lancaster Avenue (Facility), and the parties executed a Lease Agreement (City Secretary Contract No. 19139) (Lease). Over time, there have been multiple amendments to Lease that changed certain terms to the Lease while, at the same time, there have also been four addendums and an amendment to an addendum providing for City participation in the funding of specific improvements that have been needed for the Facility.

Of those addendums, the City Council authorized the execution of the Third Addendum (CSC No. 19139 AD3) as well as the Fourth Amendment (CSC No. 19139 A4) to the Lease via M&C 24-1094 on December 10, 2024. The Third Addendum provided for City participation in an amount up to \$200,000.00 for building system repairs and/or replacements to mechanical, electrical, lighting, and plumbing systems of the Facility. The Fourth Amendment extended the term of the Lease out to 2054. Most recently, the City Council authorized the execution of a fourth addendum to the lease agreement between City and CMI via M&C 26-0240 on March 31, 2026 (CSC No. 19139-AD4) that provided for City participation in the amount of \$171,526.79 for building system repairs and/or replacements to mechanical, electrical, lighting, and plumbing systems of the Facility.

This M&C authorizes the execution of an amended and restated lease agreement between City and CMI to consolidate all past amendments and addendums and provide for City participation of certain improvements to the Facility that have either been completed or are contemplated and will therefore not require future additional addendums for those improvements. The amended and restated lease will, upon receipt of supporting invoices and documentation from CMI, allow additional participation towards the funding of a new chiller at the Facility in an amount not to exceed \$135,000.00. The amended and restated lease agreement will also allow for additional City participation towards the funding of various building system repairs and/or replacements through the end of fiscal year 2028 in an amount not to exceed \$993,473.21, subject to funds availability, City Council approval, and adopted appropriation ordinances.

The funding for the City's participation for the Chiller is available in the Future Community Partnerships Programmable project within the General Capital Projects Fund. The Future Community Partnerships Programmable project is a holding place for monies the City has committed for use in conjunction with community partners for capital improvements. The year to date funding in the programmable project is as follows:

	Fiscal Year (FY) 2026 Beginning Balance	Authority	Budget Adjustment	FY2026 Remaining Balance

Future Community Partnerships (P00047)	\$985,716.71	This M&C	(\$135,000.00)	\$850,716.71
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Funding for this project was not included in the FY2026-2030 Capital Improvement Program because the additional expenses were unknown at the time. The action in this M&C will amend the Fiscal Years 2026 - 2030 Capital Improvement Program as approved in connection with Ordinance 27979-09-2025 Section 8 CAPITAL IMPROVEMENTS. Funding is budgeted in the General Capital Projects Fund within the Future Community Partnerships programmable project for the Property Management Department for the purpose of funding the Casa Manana-Building Improve project.

All other terms under the lease and subsequent renewals and amendments shall remain in effect.

The Casa Manana Theater is in COUNCIL DISTRICT 7.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are currently available in the Future Community Partnerships programmable project within the General Capital Projects Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the General Capital Projects Fund for the Casa Manana-Building Improve. project to support the execution of the agreement. Prior to an expenditure being incurred, the Property Management Department will have the responsibility to validate the availability of funds.

Submitted for City Manager's Office by: Valerie Washington 6199

Originating Business Unit Head: Marilyn Marvin 7708

Additional Information Contact: