



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER _____

PAGE 1 OF 6

DATE: 08/15/2023

**SUBJECT: APPROVAL OF AMENDMENT NO. 2 TO THE REAL PROPERTY
LEASE WITH MERCANTILE PARTNERS, L.P. FOR OFFICE
SPACE LOCATED AT 4708 MERCANTILE DRIVE, FORT WORTH,
FOR THE TARRANT COUNTY PUBLIC HEALTH DEPARTMENT**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve Amendment No. 2 to the Real Property Lease with Mercantile Partners, L.P. for office space at 4708 Mercantile Drive, Fort Worth, for the Tarrant County Public Health (TCPH) Department.

BACKGROUND

On June 22, 2021, the Commissioners Court, through Court Order #135718, approved the Real Property Lease with Mercantile Partners, L.P. for the use of office space located at 4708 Mercantile Drive for a lease term of twenty-four (24) months, beginning September 1, 2021 and ending August 31, 2023, with three (3) one-year options to renew. This lease is for 36,763 square feet of office space for use by TCPH and includes ample parking spaces to accommodate the 124 non-public facing TCPH staff.

On August 24, 2021, the Commissioners Court, through Court Order # 136152, approved Amendment No.1 to the Real Property Lease with Mercantile Partners, L.P., for the additional construction buildout of a Main Distribution Frame room for the building.

Mercantile Partners contacted Tarrant County requesting a relocation of TCPH to a different Mercantile Partners Building located at 5001 N. Riverside Drive due to a different tenant expressing interest in a long-term lease for the full building. The proposed relocation would be to a 47,500 square foot building located on 5001 N. Riverside Drive. This building is newer and includes more available square footage at a reduced cost per square foot when compared to the current lease rate.

Approval of Amendment No. 2 will modify the original term of the current space's lease by extending to a month-to-month basis at no additional cost, beginning Friday, September 1, 2023. It is anticipated that the new lease space will be available for staff to move in December 1, 2023.

Facilities Management will present a request for approval of the new lease for the 5001 N. Riverside Drive building on the September 5, 2023 Commissioners Court agenda.

TCPH Divisions currently housed at 4708 Mercantile Drive include the Call Center, Family Services, Chronic Disease Prevention, Community Health Outreach and Health Informatics.

SUBMITTED BY: Facilities Management

PREPARED BY: Misty Foster
APPROVED BY: Michael Amador



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REFERENCE NUMBER: _____ DATE: 08/15/2023 PAGE 2 OF 6

Cost associated with Amendment No. 2 include the following:

Base Rent

Base Rent includes use of 196 workstations already in place and the build-out of two (2) restrooms.
\$50,457.22 per month, \$16.47 per square foot annualized.

Triple Net Costs

For reimbursement to Landlord for variable costs such as common area maintenance, property insurance, property taxes.
Estimated to be \$8,896.00 per month, \$4.07 per square foot annualized.

Maintenance/Janitorial Costs

Other costs include utilities, janitorial, HVAC maintenance and general interior maintenance.

The Criminal District Attorney's Office has approved this lease as to form.

FISCAL IMPACT

Funding in the amount \$59,353.22 per month for the lease of space at Mercantile is available in CARPA-2023 – F2G1B.