



CITY COUNCIL AGENDA ACTION FORM

AGENDA DATE:	05/10/2022		
AGENDA SUBJECT:	Discussion, consideration, and possible action on entering into a lease agreement for the City's Impoundment Yard with Glen Rose Wreckers, LLC.		
PREPARED BY:	City Administrator Leamons	DATE SUBMITTED:	05/02/2022
EXHIBITS:	2017 Lease Agreement; Proposed 2022 Lease Agreement		
BUDGETARY IMPACT:	Required Expenditure:		\$00.00
	Amount Budgeted:		\$00.00
	Appropriation Required:		\$00.00
CITY ADMINISTRATOR APPROVAL:			
SUMMARY:	<p>Recently staff became aware that the City's lease agreement with Glen Rose Wreckers, LLC was only for a term of one year and had expired in 2018. Glen Rose Wreckers, LLC has been leasing the City's impoundment yard since 2014. Although the agreement expired, the terms of the lease continued to be honored and the City has been receiving the monthly \$500 payments. Staff consulted with a local realtor who provided some comps to help the City determine the value of the lease. Similar properties in Denton and Granbury leased for \$0.02/SF. The City's impoundment yard is about 37,700 SF, so $37,700 \times \\$0.02 = \\754.00. Staff approached the owner of Glen Rose Wreckers, LLC about increasing the monthly rental from \$500 to \$750 per month. He was agreeable with the new rate. The new lease allows the agreement to automatically renew every year unless either of the parties notifies the other party in writing of their intent to terminate or renegotiate the lease. The lease already had a provision which allows either party to terminate the lease at any time with 30 days notice.</p>		
RECOMMENDED ACTION:			
	Move to approve the lease as presented		