

**OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION
DECEMBER 21, 2021 AGENDA**

Subject:	Action Required:	Approved By:
<p>Lease Agreement Between the City and Southern Bancorp Bank for the leasing of space in the City's 12th Street Station and to Consent to a Sublease of a portion of the Leased Premises by Southern Bancorp Bank to Southern Bancorp Capital Partners, a 501(c)(3)</p>	<p style="text-align: center;">Ordinance √ Resolution</p>	<p style="text-align: center;">Bruce T. Moore City Manager</p>
SYNOPSIS	<p>A resolution to authorize the City Manager and City Clerk to execute a Lease Agreement with Southern Bancorp Bank, for the lease of space in the City's 12th Street Station for the provision of Financial Development Services and Retail Bank Branch Services and to consent to a sublease of a portion of the Leased Premises by Southern Bancorp to Southern Bancorp Capital Partners, a 501(c)(3) Corporation.</p>	
FISCAL IMPACT	<p>The Term of this Lease shall be for an initial period of ten (10) years, with the lease term to commence on July 1, 2022, and to end on June 30, 2032, with the possibility of four (4) separate three (3)-year extension terms on the same terms and conditions as set forth in the original term of the Lease. Annual rental payments to the City will be in the amount of \$30,900.00.</p>	
RECOMMENDATION	<p>Approval of the resolution</p>	
BACKGROUND	<p>The City owns the land and improvements of the 12th Street Station located in the 3900 block of West 12th Street in Little Rock, Arkansas which encompasses the whole block between 12th Street and 13th Street and between Pine Street and Cedar Street.</p>	

**BACKGROUND
CONTINUED**

The 12th Street Station is an approximately 45,987 square-foot, two (2)-story, multipurpose facility that houses the Little Rock Police Department Operational Offices and has a public atrium in order to provide a publicly accessible area which may be leased or utilized for commercial or retail functions not directly associated with the Department. There are areas within the 12th Street Station that have not been fully constructed and “built out” and the City desires to complete the construction of certain portions of the interior of the 12th Street Station in order to lease these portions to Southern Bancorp for the provision of Financial Development Services and Retail Bank Branch Services. Southern Bancorp may outsource certain financial development and other financial services to Southern Bancorp Capital Partners, a 501(c)(3) Corporation. Any such sublease shall mirror the terms and conditions of the Southern Bancorp Bank Lease.