



City of San Antonio

Agenda Memorandum

File Number: 15-6062

Agenda Item Number: 15.

Agenda Date: 12/17/2015

In Control: City Council A Session

DEPARTMENT: Aviation

DEPARTMENT HEAD: Frank Miller

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Amendment to the Ground and Building Lease Agreement with Avis Rent A Car System, LLC at the San Antonio International Airport

SUMMARY:

This Ordinance will amend the Ground and Building Lease Agreement with Avis Rent A Car System, LLC (Avis) in order to adjust the Performance Guarantee requirements to be consistent with the performance guarantee requirements in other agreements in the San Antonio Airport System.

BACKGROUND INFORMATION:

In January 2008, the City and Avis entered into a ground and building lease agreement for their on-airport property location at 9215 John Saunders Road. The leasehold includes 204,907 square feet of ground space and 6,886 square feet of building space.

The City and Avis would like to amend the lease agreement in order to adjust the performance guarantee requirements to be consistent with the performance guarantee requirements in other agreements in the San Antonio Airport System. Avis will provide either a letter of credit or a surety bond in the amount of \$204,730.00, which will be adjusted, as necessary, so it will equal at least one-half of the total annual rent.

ISSUE:

Approval of the amendment to the ground and building lease agreement is consistent with City policy to lease

City-owned property in order to generate revenue.

ALTERNATIVES:

City Council could reject the proposed amendment. However, the amendment will provide consistency to the performance guarantee requirements for the Avis lease agreement with other lease agreements.

FISCAL IMPACT:

The amendment will not have a fiscal impact.

RECOMMENDATION:

Staff recommends approval of the amendment to the Ground and Building Lease Agreement with Avis Rent A Car System, LLC at the San Antonio International Airport.