



City of San Antonio

Agenda Memorandum

File Number:13-990

Agenda Item Number: 17.

Agenda Date: 12/5/2013

In Control: City Council A Session

DEPARTMENT: Building and Equipment Services

DEPARTMENT HEAD: Jorge Perez

COUNCIL DISTRICTS IMPACTED: 7

SUBJECT:

An ordinance authorizing the execution of the 1st Amendment to a five-year Lease Agreement for District 7 Council Office.

SUMMARY:

Consideration of the following ordinance authorizing the execution of the 1st Amendment to a five-year Lease Agreement between the City of San Antonio and Brass Centerview 2012, LLC. for 1,108 square feet of office space located at 4414 Centerview Dr. in Council District 7, for the continued operation of a Constituent Field Office. The Lease Agreement is currently in the third year of the term with a monthly rental rate of \$1,822.54. The new reduced monthly rent will be \$1,300.00 for the remainder of the lease term ending November 30, 2016. The City's termination rights and all other terms and conditions of the Lease Agreement remain the same.

BACKGROUND INFORMATION:

Pursuant to Ordinance No. 2011-11-17-0950, dated November 17, 2011, the City of San Antonio and Brass Centerview 2012, LLC entered into a five-year Lease Agreement with one, five-year renewal option for office space to be utilized as the Council District 7 Constituent Field Office. In an effort to reduce the monthly rent expenditure District 7 Council staff negotiated a reduction in the monthly rental amount while retaining all other lease terms.

ISSUE:

This action is consistent with the City's policy to provide a constituent office within each Council District for each Councilperson to conduct business and meet constituents.

ALTERNATIVES:

The City Council could choose not to approve this Lease Amendment; however doing so would eliminate the \$20,799.48 savings to Councilman Chris Medina's budget that would be realized by approving this Lease Amendment.

FISCAL IMPACT:

Under the terms of the Lease Amendment, City Council District 7 will pay a reduced rental amount as per the chart below.

Rent Period	Current Monthly Rent	Reduced Monthly Rent	Monthly Rent Reduction	Total Savings
December 1, 2013 thru November 30, 2014	\$1,822.54	\$1,300.00	\$522.54	\$6,270.48
December 1, 2014 thru November 30, 2015	\$1,877.22	\$1,300.00	\$577.22	\$6,926.64
December 1, 2015 thru November 30, 2016	\$1,933.53	\$1,300.00	\$633.53	\$7,602.36
Total savings over remaining lease term:				\$20,799.48

The City will have the right to terminate this lease at any time without cause by delivering a 30-days prior written notice to Landlord. Funds for this lease are included in the FY 2014 Adopted General Fund Budget.

RECOMMENDATION:

Staff recommends approval of this amendment for rent reduction to the lease agreement with Brass Centerview 2012, LLC.