



City of San Antonio

Legislation Details (With Text)

File #: 16-5189

Type: Real Property Lease

In control: City Council A Session

On agenda: 10/20/2016

Title: An Ordinance authorizing the 1st Renewal of Lease Agreement between the City of San Antonio and Catholic Life Insurance, for a five-year term, for the continued use of office space located at 1635 NE Loop 410, Suite 510 for use as the City Council District 10 Constituent Office, for the initial monthly rental amount of \$1,600.00. [Lori Houston, Assistant City Manager; John Jacks, Interim Director, Center City Development & Operations]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Lease Renewal Agreement, 2. DCD 2016, 3. 1295 Form, 4. Ordinance 2016-10-20-0813

Date	Ver.	Action By	Action	Result
10/20/2016	1	City Council A Session	adopted	Pass

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 10

SUBJECT:

1st Renewal of Lease Agreement - City Council District 10 Constituent Office

SUMMARY:

An ordinance authorizing the 1st Renewal of Lease Agreement with Catholic Life Insurance, for a five-year term, for the continued use of office space located at 1635 NE Loop 410, Suite 510, in City Council District 10, for use as the City Council District 10 Constituent Office, for the initial monthly rental amount of \$1,600.00 escalating to \$1,650.00 during the last three years of the lease term. The City has the option to terminate the lease with thirty days' notice.

BACKGROUND INFORMATION:

Pursuant to Ordinance 2011-10-20-0856, dated October 20, 2011, the City of San Antonio entered into a five-

year Lease Agreement for office space located at 1635 NE Loop 410, to be utilized as the City Council District 10 Constituent Office, with an option to renew the lease for an additional five-year term. This action will serve to exercise the City's five-year renewal option commencing on November 1, 2016 and expiring on October 31, 2021.

ISSUE:

The current lease term is expiring, and as such, this action will exercise the optional five-year renewal term established in the original Lease Agreement. Additionally, there is currently no available City-owned space in which to relocate the District 10 City Council Constituent Office.

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

ALTERNATIVES:

The alternative to exercising this 1st Renewal and 2nd Amendment to Lease Agreement would be to search for a new lease space in the same geographic area which offers more favorable lease terms than the very favorable terms already secured. Additionally, the cost to relocate this office would likely negate any potential rent savings.

FISCAL IMPACT:

The monthly rent during the renewal term is as follows:

	Current Term	Renewal Term	Change
Term	Ends 10-31-16	Ends 10-31-2021	5 year extension
Monthly Rent	\$1,550.00	\$1,600.00 / \$1,650.00	\$50.00 / \$100.00

There are sufficient funds in the FY 2017 budget for the lease expenses.

RECOMMENDATION:

Staff recommends approval of this 1st Renewal of Lease Agreement with Catholic Life Insurance, for the continued use of the office space located at 1635 NE Loop 410.