



City of San Antonio

Legislation Details (With Text)

File #: 16-5776
Type: Real Property Lease
In control: City Council A Session
On agenda: 12/1/2016
Title: An Ordinance authorizing a five-year lease agreement with Omninet Three GP, LLC for approximately 2,042 square feet of office space, located at 4335 Piedras Drive West, in Council District 7 for use by the Development Services Department Field Services Division. [Lori Houston, Assistant City Manager; John Jacks, Interim Director, Center City Development & Operations]

Sponsors:

Indexes:

Code sections:

Attachments: 1. 4335 Code Lease Execution Version, 2. RFCA 16-5776- Omninet Ord-Draft, 3. Ordinance 2016-12-01-0912

Date	Ver.	Action By	Action	Result
12/1/2016	1	City Council A Session	Motion to Approve	Pass

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 7

SUBJECT:

DSD Code Enforcement Office Space Lease Agreement

SUMMARY:

An ordinance authorizing a five-year lease agreement with Omninet Three GP, LLC for approximately 2,042 square feet of office space, located at 4335 Piedras Drive West, for use by the Development Services Department Field Services Division (Code Enforcement) as a satellite office to support Code Enforcement officers working in the west portion of the City.

BACKGROUND INFORMATION:

Code Enforcement is charged with ensuring property owners manage, maintain and develop their property in a manner that is compliant with existing rules and regulations set by City ordinance. Operating with 13 field enforcement teams, assigned officers respond to complaints received through the 311 system, directly from

residents and through proactive means.

Placing the field units in proximity to the neighborhoods they serve is the most efficient means to deploy resources and as the City develops regional facilities through its Capital Improvements Program, these field units will be placed in City owned facilities on a permanent basis. In the meantime, many of these units are operating out of facilities wherever they can find room. It is anticipated that the subject location can accommodate up to three field units that are presently located in dilapidated modular structures at the City's Culebra Service Center.

Leasing a facility to house Code Enforcement staff provides flexibility for the City allowing it to terminate this lease when a permanent location can be secured.

ISSUE:

A recent analysis of the modular structures currently housing Code Enforcement staff at the Culebra Service Center determined it was not cost effective to renovate the building. The long range plan is to locate these Code Enforcement officers to the Leslie Road service center, which is scheduled to be completed in July 2019. Finding interim space is the most cost effective method to provide office space to meet their needs.

ALTERNATIVES:

City Council could choose not to approve this lease agreement. Staff has determined that it is not cost effective to renovate the current office location, therefore, leasing new space is the most appropriate method to meet staff needs on an interim basis.

FISCAL IMPACT:

Under the terms of the lease, rent will be charged as follows:

Year	Monthly Rent	Annual Rent
1	\$2,893.00	\$34,716.00
2	\$2,978.00	\$35,736.00
3	\$3,063.00	\$36,756.00
4	\$3,148.00	\$37,776.00
5	\$3,233.00	\$38,796.00

The rent will commence upon the City's occupancy following the construction of facility improvements to accommodate the City's needs. The economic terms of the proposed lease agreement include a provision that the City can terminate the lease on 90 days' notice anytime from May 1, 2019 through February 28, 2020. This termination window will align with the scheduled completion of the Leslie Road facility that is slated to include sufficient space to accommodate Code Enforcement's permanent office need.

Code Enforcement has sufficient funds in the FY 2017 Development Services Department Budget for the lease expenses.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing the execution of a five-year lease agreement with Omninet Three GP, LLC.