



City of San Antonio

Legislation Details (With Text)

File #: 19-5924

Type: Real Property Lease

In control: City Council A Session

On agenda: 9/12/2019

Title: Ordinance approving a five-year lease agreement with the United States Government through the General Services Administration agency for office and parking spaces for the Transportation Security Administration agency at the San Antonio International Airport. The agreement will commence on October 1, 2019 and generate \$4,133,313.36 over the five-year term, which will be deposited in the Airport Operating and Maintenance Fund. [Carlos Contreras, Assistant City Manager; Russell Handy, Director, Aviation]

Sponsors:

Indexes: Aviation Lease Agreements

Code sections:

Attachments: 1. Lease Agreement GSA-TSA, 2. Draft Ordinance, 3. Ordinance 2019-09-12-0712

Date	Ver.	Action By	Action	Result
9/12/2019	1	City Council A Session	adopted	Pass

DEPARTMENT: Aviation

DEPARTMENT HEAD: Russell J. Handy

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Lease Agreement with United States Government for Transportation Security Administration (TSA) office and parking spaces at the San Antonio International Airport

SUMMARY:

City Council consideration for a five-year lease agreement with the United States Government through the General Services Administration (GSA) for 7,244 square feet of office space and eight parking spaces for TSA personnel at the San Antonio International Airport. This agreement will commence on October 1, 2019 and terminate the existing lease agreement, which had a year left on term. Over the course of the five-year term, the agreement will generate \$4,133,313.36 in rental and operating revenue, which will be deposited in the Airport Operating and Maintenance Fund.

BACKGROUND INFORMATION:

The Aviation and Transportation Security Act of 2001 requires TSA to use certain airport space and facilities as necessary security checkpoints for passenger and baggage screening to provide a secure air travel system. In conjunction with its mission, TSA has ancillary space needs for offices and break rooms to support its daily operations. The GSA oversees the lease agreements for federal departments, including the Department of Homeland Security of which TSA is a division.

In August 2015, City Council authorized a five-year lease agreement with the United States Government through GSA for TSA spaces at the San Antonio International Airport through Ordinance No. 2015-08-20-0707, which commenced on September 1, 2015. GSA approached the Aviation Department regarding the next lease agreement.

ISSUE:

City Council approval is required for lease agreement with a term over six months.

The new agreement will authorize TSA to lease 7,244 square feet of office space and eight parking spaces at the San Antonio International Airport. It will also implement an operating cost to provide maintenance services for the leased space. As part of the agreement, the City agrees to make certain minor enhancements to the leased space as requested by TSA.

The new lease agreement will become effective on October 1, 2019 and will terminate the existing agreement. The first year of the new agreement will generate revenue in the amount of \$778,794.32, which is the same amount that would have been generated in the last year of the 2015 lease agreement.

ALTERNATIVES:

City Council could choose not to approve this lease agreement; however, the services TSA provides are required by federal law. Staff recommends City Council approve this lease agreement that have been negotiated and agreed up on by GSA and brought forward by Aviation Department Staff.

FISCAL IMPACT:

Ordinance authorizing a five-year lease agreement with the United States Government through the General Services Administration for the Transportation Security Administration for office space and parking spaces at the San Antonio International Airport.

Under the terms of the lease agreement, GSA will pay an annual rate of \$106.78 per square feet under the shell rent and operating costs during the first year. The annual rate will increase each year by three percent and the annual rental rate for the eight parking spaces is \$5,280.00. Over the five year term, the agreement will generate \$4,133,313.36 in revenue to be deposited into the Airport Operating and Maintenance Fund.

	<u>Area per</u> <u>square foot</u>	<u>Annual Rate per</u> <u>square foot</u> (For First Year)	<u>Annual Rent</u> (For First Year)
--	---------------------------------------	--	--

Shell Rental (Office Space) and Operating Cost	7,244	\$106.78	\$773,514.32
Parking Spaces	N/A	\$440.00 (per month)	\$5,280.00
			\$778,794.32

RECOMMENDATION:

Staff recommends the authorization of the five-year lease agreement with the United States Government through the GSA for the TSA at the San Antonio International Airport