



City of San Antonio

Agenda Memorandum

File Number:16-3526

Agenda Item Number: 14.

Agenda Date: 8/4/2016

In Control: City Council A Session

DEPARTMENT: Center City Development Office

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 6

SUBJECT:

Renewal, Amendment and Extension of Lease Agreement for District 6 Council Office

SUMMARY:

This ordinance authorizes the Renewal and Extension of Lease Agreement for the continued use of approximately 1,520 square feet of office space located at 8373 Culebra Rd., Ste. 202, for a five year renewal term expiring March 31, 2021 at the annual rate of \$21,879 for the first three years and \$22,972.92 for the last two years, with the right to terminate the lease without cause with 60 days advance written notice.

BACKGROUND INFORMATION:

The City of San Antonio has been a tenant at this location since April 1, 2011 for use as the City Council District 6 Constituent Office. It is in the City's best interest to renew this lease agreement for an additional five year term in an effort to ensure continued uninterrupted service to the constituents.

ISSUE:

The original Lease Agreement has expired and the permissible holdover option has been exercised.

ALTERNATIVES:

District 6 staff could continue to occupy this office on a temporary basis at a higher rental rate while a suitable new location is pursued.

FISCAL IMPACT:

Under the current term of the lease agreement, the current annual rental rate is \$21,879. Under the terms of the proposed lease renewal, the annual rental rate will not change during the first three years of the renewal term. During years four and five the annual rental rate will be \$22,972.92. Funds for this lease are included in the FY 2016 adopted General Fund Budget.

Item	Present Lease	New Lease	Change
Term	Currently in Holdover	Ends March 31, 2021	Set term established
Rent	\$21,879.00 annually	\$21,879.00 annually Years 1-3	\$0 Years 1-3
		\$22,972.92 annually Years 4-5	\$1,093.92 Years 4-5
Size	1,520 S.F.	1,520 S.F.	None
Termination	Anytime with 90 day written notice	Anytime with 60 day written notice	Shorter termination notice

RECOMMENDATION:

Staff recommends approval to renew the lease agreement for the term ending March 31, 2021 for 8323 Culebra Rd., Ste. 202 for the District 6 Constituent Office with WC Culebra Crossing, LP.