



City of San Antonio

Agenda Memorandum

File Number: 19-4127

Agenda Item Number: 11.

Agenda Date: 8/8/2019

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 2

SUBJECT:

District 2 Multi-Service Senior Center Lease Extension

SUMMARY:

An ordinance authorizing an extension to the lease for a five year period between the City of San Antonio and Bar Paso Partners, L.P., for the continued use of the property as a Multi-Service Senior Center located at 1751 South W.W. White Road in District 2 commencing July 1, 2019 through September 30, 2024.

The annual lease rate during the five-year term will be \$204,999.96, which is a decrease of \$4,861.44 annually. Funding for the remaining portion of FY 2019, in the amount of \$51,249.99 is available in the Department of Human Services General Fund FY 2019 Adopted Budget. Funding for future years will be subject to annual appropriations as part of the annual budget process.

BACKGROUND INFORMATION:

The City is committed to providing San Antonio seniors comprehensive services that enhance their social, psychological, and physiological well-being. As part of this commitment, the City offers a variety of services through a variety of facilities to accommodate senior citizens, ages 60 and older. Since 2007, the 1751 South W.W. White location has provided services to seniors including conducting various types of instruction, providing recreational and exercise activities, wellness activities specifically tailored for this aging population and meals on a daily basis during the week.

City staff through this ordinance action seeks to preserve the ability to continue to provide senior services in

Council District 2 at the existing location.

ISSUE:

The existing lease will expire September 30, 2019; however the City may exercise its right to renew the lease for an additional five years. The annual rental rate during the five-year term will be \$204,999.96 with the option to terminate the lease at any time. This is a \$4,861.44 annual decrease. The FY 2019 Adopted Budget included funding for the operation of the District 2 Multi-Service Senior Center through the end of the fiscal year.

ALTERNATIVES:

The alternatives to extending this lease for an additional five years is to either close the center, or identify another facility that can deliver services responsive to the community at a lower cost. Neither option seems viable due to the center’s location being accessible to the public, experiences a high level of use, and has a competitive lease rate in the marketplace.

FISCAL IMPACT:

The decrease in rent would be effective July 1, 2019. Under the terms of this agreement the rent and other rights would be amended as detailed on the chart below as follows:

Terms	Current Lease	Amended Lease	Net Change
Size	15,928 SF	15,928 SF	No Change
Annual Rent	\$209,861.40	\$204,999.96	\$4,861.44 decrease
Term Expiration	9/30/2019	9/30/2024	5 year extension
Termination Rights	Anytime upon 120 days’ notice	Anytime upon 120 days’ notice	No Change

Funding for the remainder of FY 2019, in the amount of \$51,249.99 is available in the Department of Human Services General Fund FY 2019 Adopted Budget. Funding for future years will be subject to annual appropriations as part of the annual budget process.

RECOMMENDATION:

Staff recommends approval of this five year lease extension with Bar Paso Partners, L.P., for the continued use of the property located at 1751 South W.W. White Road, in District 2, as a Senior Multi-Service Center at the annual rental amount of \$204,999.96.