



City of San Antonio

Agenda Memorandum

File Number: 14-2389

Agenda Item Number: 12.

Agenda Date: 11/6/2014

In Control: City Council A Session

DEPARTMENT: Office of EastPoint & Real Estate Services

DEPARTMENT HEAD: Mike Etienne

COUNCIL DISTRICTS IMPACTED: Council District 5

SUBJECT: Lease Agreement Renewal: Guadalupe Cultural Arts Center-1301 Guadalupe Street

SUMMARY:

Consideration of an ordinance authorizing the execution of a Renewal and Extension Lease Agreement with Guadalupe Cultural Arts Center for a performing arts theater located at 1301 Guadalupe Street, in Council District 5, for an additional period of 10 years.

BACKGROUND INFORMATION:

On September 30, 1999, through ordinance 90597, the City of San Antonio and Guadalupe Cultural Arts Center (GCAC) entered into a fifteen years Term lease agreement commencing on October 11, 1999, and terminating October 10, 2014. As per Section II Term/Renewal, 2.2 of the lease if Tenant would like to exercise its ten year renewal and extension option it must provide to Landlord (City) written notice 180 days prior to the termination of the lease agreement. GCAC has provided proper notification to the City of its intent to renew and extend this lease agreement.

GCAC has used the premises as a diversified cultural arts facility to include, but not limited to, a performing arts theater, assembly hall, gift shop, gallery, auditorium, offices, rehearsal space, support facilities for a performing arts theater, or auditorium use, concession operations relating to such uses, rentals and fund raisers, and other related uses including use of the facilities by the City for public purposes.

ISSUE:

Consideration of an ordinance authorizing the execution of a Renewal and Extension Lease Agreement with Guadalupe Cultural Arts Center (GCAC) for a performing arts theater located at 1301 Guadalupe Street, in Council District 5, for an additional period of 10 years.

GCAC has used the premises as a diversified cultural arts facility to include, but not limited to, a performing arts theater, assembly hall, gift shop, gallery, auditorium, offices, rehearsal space, support facilities for a

performing arts theater, or auditorium use, concession operations relating to such uses, rentals and fund raisers, and other related uses including use of the facilities by the City for public purposes. The Guadalupe Cultural Arts Center has been and will continue to be responsible for the maintenance of the facility.

ALTERNATIVES:

The City could choose not to renew and extended this lease agreement which would disturb a strong relationship between Guadalupe Cultural Arts Center and the local community it has serviced for the past fifteen years.

FISCAL IMPACT:

The previous lease agreement between the City of San Antonio and the Guadalupe Cultural Arts Center was \$1.00 per year paid to the City for 15 years. As this contract ended October 10, 2014 the extension to the lease agreement will continue the \$1.00 annual fee paid to the City for the facility for an additional ten years.

	Current	Extension	Change
Term	Ends October 10, 2014	Ends October 10, 2024	Additional 10 years
Revenue	\$1.00 per year	\$1.00 per year	No Change

RECOMMENDATION:

Staff recommends approval of this Renewal and Extension Lease Agreement with Guadalupe Cultural Arts Center for an additional period of ten years.