



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 14

**Agenda Date:** February 27, 2025

**In Control:** City Council A Session

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**DEPARTMENT:** Building & Equipment Services

**DEPARTMENT HEAD:** Jorge Perez

**COUNCIL DISTRICTS IMPACTED:** District 5

**SUBJECT:**

San Antonio Fire Department Tech Services Operations Lease Agreement

**SUMMARY:**

This ordinance authorizes Amendment No. 1 to a Lease Agreement with the Port Authority of San Antonio for a term of five-years commencing March 1, 2025 and expiring February 28, 2030 for the initial monthly rental amount of \$22,852.63 during the first year and escalating annually to \$25,720.84 during the fifth year, for 18,367 square feet of office and warehouse space located at 602 Dunton Street, Council District 5. The City has the annual option to terminate the lease with 120 days' written notice to the Landlord. Funding in the amount of \$159,698.41 is available from the General Fund FY 2025 Adopted Budget. Funding for future years is contingent upon City Council approval of annual budget.

**BACKGROUND INFORMATION:**

The San Antonio Fire Department (SAFD), Technical Services Division has been a tenant at this location since February 1, 2018, and is requesting to renew the lease for an additional five years. The Technical Services Division was established in 2012 and is responsible for the maintenance and deployment of the SAFD mobile command vehicles, including the SAFD ambulance bus, the rehab bus and radio communications trailers. Technical Services also provides support for the

Southwest Texas Fusion Center, the Office of Emergency Management and numerous local and regional agencies, including but not limited to the San Antonio Police Department, the Bexar County Office of Emergency Management, Southwest Texas Regional Advisory Council and Department of Public Safety. Additionally, the Technical Services Division is responsible for the installation, maintenance and repair of communications and response equipment that includes approximately 1800 mobile and portable radios, mobile data terminals, wireless modems and emergency vehicle lighting.

#### **ISSUE:**

The current lease term expired January 31, 2025, however, the City has the option to renew the lease for an additional five-year term. If this lease amendment is not renewed as proposed, the SAFD Technical Services Division will need to relocate, during which the vital services they provide will be interrupted for an undetermined period.

#### **ALTERNATIVES:**

The alternative to extending this lease for an additional five-years is to search for a suitable alternative, however, given the very favorable economic terms being offered to the City, it is highly unlikely that better terms will be achievable. Additionally, the one-time relocation expenses associated with moving this division would be significant.

#### **FISCAL IMPACT:**

This ordinance authorizes Amendment No. 1 to a Lease Agreement with the Port Authority of San Antonio for a term of five-years commencing March 1, 2025 and expiring February 28, 2030 for use by the San Antonio Fire Department Tech Services Division of 18,367 square feet of office and warehouse space located at 602 Dunton, located in Council District 5. The total annual cost of the lease is \$274,231.59 and is funded through the General Fund. Funding for future years is contingent upon City Council approval of the annual budget.

Under the terms of the Lease Agreement, the Rent payment for the five-year term is as follows:

Term Year	Monthly Rent	Annual Rent
1	\$22,852.63	\$274,231.59
2	\$23,538.21	\$282,458.54
3	\$24,244.36	\$290,932.30
4	\$24,971.69	\$299,660.27
5	\$25,720.84	\$308,650.07

**RECOMMENDATION:**

Staff recommends approval.