



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 29

Agenda Date: September 21, 2023

In Control: City Council A Session

DEPARTMENT: Building & Equipment Services

DEPARTMENT HEAD: Jorge Perez

COUNCIL DISTRICTS IMPACTED: District 7

SUBJECT:

Lease Agreement Extension – Council District 7 Field Office

SUMMARY:

This ordinance authorizes the expansion of the premises and five-year extension of the existing lease with Brass Centerview 11, LLC for the Council District 7 Field Office at a cost of \$133,680.00 over five years, to provide for the continued operation of an office serving constituents in the district. This extension reimburses landlord for improvements to the premises at a cost of \$71,000.00 to be paid in a lump sum. Funding in the amount of \$95,016.00 is available from the General Fund FY 2024 Adopted Budget contingent upon adoption. Funding for future years will be contingent on council approval of the budget. The City retains the right to terminate this lease at anytime upon 30 days' notice.

BACKGROUND INFORMATION:

Located at 4414 Centerview the City has operated a council district office from this building since 2011. Initially located in 1,640 square feet, the City will renovate and expand its occupancy to

2,056 square feet by taking additional space adjacent to the current office. The Landlord will renovate the office suite based on work requested by City staff including painting the office, reconfiguring the conference room and replacing the flooring.

ISSUE:

The current lease term has expired and there is empty space within the building adjacent to our current occupancy that if expanded into will allow reconfiguration of the space to better meet staff's needs. Currently there is no available City-owned space within Council District 7 in which to relocate this office.

This action is consistent with the City's policy to support the mission and space needs of the Council district offices.

ALTERNATIVES:

Should City Council not authorize this Lease, District staff would need to locate and lease an alternative site for these services. However, given the favorable renewal terms being offered to the City, and considering the cost to relocate this function, it is unlikely that the search for a new location will result in a more cost-effective alternative.

FISCAL IMPACT:

The rent under this extension will be \$2,056.00 per month in the 1st year or \$24,672.00 annually increasing to \$2,400.00 per month or \$28,800.00 annually in the 5th and final year of the term. The City will reimburse landlord up to \$71,000.00 for improvements to the premises for a five-year total cost of \$204,680.00.

Funding in the amount of \$95,016.00 is available from the General Fund FY 2024 Adopted Budget contingent upon adoption. Funding for future years will be contingent on council approval of the budget. The City retains the right to terminate this lease at anytime upon 30 days' notice.

RECOMMENDATION:

Staff recommends approving an ordinance authorizing a lease amendment with Brass Centerview 11, LLC to expand the occupancy to 2,056 square feet and extend the term five years to provide the continued operation field office for Council District 7 staff.