



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 10

Agenda Date: April 4, 2024

In Control: City Council A Session

DEPARTMENT: Building & Equipment Services

DEPARTMENT HEAD: Jorge Perez

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Lease Agreement for the Council District 1 Constituent Office

SUMMARY:

This ordinance authorizes staff to negotiate and execute a five-year Lease Agreement with North Star Income Partners L.P. (Landlord) for 2,430 square feet of office space located at 8507 McCullough Avenue, for use as the City Council District 1 Constituent Office commencing August 1st, 2024, with monthly rent of \$4,637.25 or \$55,647.00 annually, for a total five-year amount not to exceed \$298,146.72, and an amount not to exceed \$160,000.00 for improvements to the leased premises with the right to terminate at any time after the 24th month with 90 days' notice. Funding in the amount of \$169,274.50 is available from the General Fund FY 2024 Adopted Budget.

BACKGROUND INFORMATION:

The District 1 Constituent Office is located on Vance Jackson in a former fire station building that is not suited for office use. The City has proposed making substantial renovations to this building to appropriately outfit the property for office use, however it is more cost effective to rent space for this use. This action will serve to relocate the District 1 Constituent Office for a term of five

years into a leased facility that provides sufficient office space to allow Councilwoman Kaur and her staff to conduct business and meet with the public.

ISSUE:

The former fire station building that the current District 1 Constituent Office is in needs substantial renovations to make it functional for office space. This action is consistent with the City's policy to provide office space for each councilperson to use to conduct business and meet with constituents.

ALTERNATIVES:

An alternative to entering into this lease would be to perform substantial renovations to the existing building or search for a different leased space in the same geographic area.

FISCAL IMPACT:

This ordinance authorizes staff to negotiate and execute a five-year Lease Agreement with North Star Income Partners L.P. (Landlord) for 2,430 square feet of office space located at 8507 McCullough Avenue, for use as the City Council District 1 Constituent Office for a monthly rent of \$4,637.25 or \$55,647.00 annually, for a total five-year amount not to exceed \$298,146.72, and an amount not to exceed \$160,000 for improvements to the leased premises, with the right to terminate at any time after the 24th month with 90 days' notice. Funding for monthly rent and one time improvement in the amount of \$169,274.50 is available from General Fund FY 2024 Adopted Budget. Funding for subsequent fiscal years is subject to City council approval of the annual budget.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing staff to negotiate and execute a Lease with North Star Income Partners L.P. for a term of five years, in support of the District 1 Constituent Office.