

AGENDA



Recommendation for Council Action (Real Estate)

Austin City Council	Item ID:	38215	Agenda Number	59.
Meeting Date:	December 11, 2014			
Department:	Office of Real Estate Services			
Subject				
Authorize negotiation and execution of a 120-month lease for approximately 5,070 square feet of retail space, located at 600 East 4th Street, Space A, to THE ESCAPE GAME AUSTIN, LLC.				
Amount and Source of Funding				
█				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:	█			
Prior Council Action:	█			
For More Information:	Darin Upchurch, Austin Convention Center, (512) 404-4045; Mashell Smith, Office of Real Estate Services, (512) 974-7149; Lauraine Rizer, Office of Real Estate Services, (512) 974-7078; Amanda Glasscock, Office of Real Estate Services, (512) 974-7173.			
Boards and Commission Action:	█			
MBE / WBE:	█			
Related Items:	█			
Additional Backup Information				

The Austin Convention Center desires to lease approximately 5,070 square feet of retail space to The Escape Game Austin, LLC. The Escape Game Austin is a unique, interactive, team-building and entertainment concept in which participants attempt to escape from a themed room by solving a series of puzzles and challenges. The Escape Game Austin will enhance the City's already expansive entertainment options, providing a creative and unique experience for conventioners, tourists and local visitors to downtown Austin.

The Office of Real Estate Services had a third party rent survey conducted. The Escape Game Austin, LLC, as tenant, shall design, construct and pay for all tenant improvements. Tenant improvements are estimated to be \$375,000. Rent shall be \$15.00 per square foot per year for the first five years. Rent shall be \$17.25 per square foot per year for the second five years. Tenant shall have an option to renew for two additional five-year periods.

Should the tenant choose to renew the lease, annual rent shall be \$19.83 per square foot for the first five-year extension and \$22.81 for the second five-year extension. All tenant improvements, including design of retail space, design of signage, and construction of retail space shall be approved by the City.