



Recommendation for Action

File #: 19-3372, **Agenda Item #:** 21.

10/31/2019

Posting Language

Authorize negotiation and execution of a 60-month lease renewal with 724 Bastrop Hwy LLC, to commence on November 1, 2019 and terminate October 31, 2024, for 1,000 square feet of office/warehouse space for the Environmental Resource Management Division of the Watershed Protection Department, located at 720 Bastrop Highway, Suite 218, Austin, Texas, for a total amount not to exceed \$72,000.

Lead Department

Office of Real Estate Services.

Fiscal Note

Funding in the amount of \$13,200 is included in the FY20 Budget for the Watershed Protection Department. Funding for the remaining lease term is contingent upon available funding in future budgets.

Prior Council Action:

September 25, 2008 Council approved lease renewal.

April 21, 2011 - Council approved lease renewal.

October 23, 2014 - Council approved lease renewal.

For More Information:

Aboli Moezzi, Watershed Protection Department (512) 974-2650; Alex Gale, Office of Real Estate Services, (512) 974-1416; Megan Herron, Office of Real Estate Services, (512) 974-5649.

Additional Backup Information:

The City has leased this space since 1993. The Water Quality Monitoring Section uses the space to store, repair, retrofit and maintain water quality monitoring equipment. The leased space is 1,000 square feet with office and storage area, and the lease currently expires October 31, 2019. The renewal will be effective on November 1, 2019 and will expire October 31, 2024.

This is a gross lease and thus these rates include taxes, insurance, utilities and common area maintenance.

The current rent is \$1,000.00 per month (\$1.00 per square foot per month), which was established in 2014.

The proposed renewal rate increases \$600/per year. The renewal rate changes are as follows:

Department Name:	RENEWAL LEASE PERIOD	GROSS RENT PER MONTH	ANNUAL TOTAL
WATERSHED PROTECTION			
Year 1	11/1/2019 - 10/31/2020	\$1,100.00	\$13,200.00
Year 2	11/1/2020 - 10/31/2021	\$1,150.00	\$13,800.00
Year 3	11/1/2021 - 10/31/2022	\$1,200.00	\$14,400.00
Year 4	11/1/2022 - 10/31/2023	\$1,250.00	\$15,000.00
Year 5	11/1/2023 - 10/31/2024	\$1,300.00	\$15,600.00
Total:			\$72,000.00

The Strategic Facilities Governance Team has reviewed and approved this request.

