



Recommendation for Action

File #: 22-1513, **Agenda Item #:** 37.

3/24/2022

Posting Language

Authorize negotiation and execution of a lease with Liborio and Silvia Reyes d/b/a Four Points Boat and RV Storage on the City's real property consisting of approximately 5.09 acres of land, located at 10900 RR 2222, Austin, Texas 78753, for a term of thirty months to operate a retail pottery store and boat and RV storage facility.

Lead Department

Financial Services Department.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

October 28, 2010 - Council approved a Purchase Agreement of 13.291 acres and subsequent leaseback of a 5.09-acre portion of the property for an initial 3-year term with seven, 1-year renewal options.

For More Information:

Diana Justice, Financial Services Department, (512) 974-7170; Michael Gates, Financial Services Department, (512) 974-5639; Rick Coronado, Austin Water, (512) 972-0127.

Additional Backup Information:

Authorize the negotiation and execution of a lease for an initial term of thirty (30) months with Liborio and Silvia Reyes d/b/a Four Points Boat and RV Storage, for real property consisting of approximately 5.09 acres of land, located at 10900 RR 2222, Austin, Texas. The subject property was originally owned by the Chipman family until they sold it to the City on December 3, 2010. On the same day, Minnie Jo Chipman entered into a lease with the City and continued to lease the subject property until she passed away on July 31, 2017. Minnie Jo Chipman's husband, James A. Chipman Sr., continued the lease until his death on or about April 24, 2018, at which time the Chipman's sons, James A. Chipman, Jr. and Tommy Joe Pulatie took over the lease. On December 17, 2019, the Chipman's sent in a notice of their intent to renew the lease for an additional year and requested it to be on a month-to-month basis while the Estate of Minnie Jo Chipman and James A. Chipman, Sr. was probated. The Chipman's sent their Notice to Terminate on November 19, 2021. Liborio and Silvia Reyes have subleased from the Chipman family since 2002 and have operated their retail pottery business, Desert Dreams, on the subject property. The Reyes' have been excellent tenants and wish to continue to lease the property under a new lease with the City. Four Points Boat and RV Storage's base rent will be \$8,000 per month. The proposed rent is within the market rate per a rent study conducted by a third-party appraiser.

Strategic Outcome(s):

Government that Works for All.