

AGENDA



Thursday, January 31, 2008

Public Works
RECOMMENDATION FOR COUNCIL ACTION
Item No. 44

Subject: Approve the negotiation and execution of a 60-month lease renewal with the possibility of additional future renewals for 52 parking spaces for the Waller Creek Center Building of the Austin Water Utility located at 701-703 East 9th Street, from ANN PARSONS BURATTI REAL ESTATE TRUST, Austin, Texas, in an amount not to exceed \$182,289.12 for the 60 month lease renewal term.

Amount and Source of Funding: Funding is available in the Fiscal Year 2007-2008 Operating Budget of the Water Utility Department. Funding for the remaining lease term period is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Dean Harris 974-7061, Robin Field 974-7064, Augustine Cancino 972-0344.

Boards and Commission Action: Recommended by the Water and Wastewater Commission.

The City of Austin has leased parking spaces for employees in this lot adjacent to the Waller Creek building since 1992. The current annual lease amount, including property taxes for the 52 spaces, is \$32,092.39, or \$51.43 per space per month.

Year One of the proposed renewal effective March 1, 2008 is for an estimated \$35,218.56 annually, or \$56.44 per space per month including property taxes. The monthly rental rate increased due to increased development in the area. Subsequent increases in property taxes will be passed through to the City with the estimated amounts included in the monthly rates per parking space shown below:

Monthly Parking Space Cost	Annual Amount
Year 1: \$56.44	\$35,218.56
Year 2: \$57.36	\$35,792.64
Year 3: \$58.35	\$36,410.40
Year 4: \$59.41	\$37,071.84
Year 5: \$60.57	\$37,795.68
	\$182,289.12

This renewal will allow for the continued use of the parking spaces by the City. Additional negotiated terms and conditions may provide for future extensions of the lease term, including reasonable increases in rent.