RCA - Real Estate	Austin City Council	Item ID:	5001
Meeting Date:	April 21, 2011		
Department:	Office of Real Estate Services		

Subject

Authorize the negotiation and execution of a 48-month lease renewal for 4,900 square feet of space for the Downtown Austin Community Court, located at 719-721 E. 6th Street, Austin, Texas from GEORGE H. AND DOMINIQUE DREYFUS, in an amount not to exceed $480,124 for the renewal term.

Amount and Source of Funding

Funding in the amount of $38,509.33 is available in the Fiscal Year 2010-2011 Operating Budget of the Downtown Austin Community Court. Funding for the remaining lease term is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	June 29, 2000 - Council approved the original lease agreement; February 16, 2006 - Council approved the lease renewal.
For More Information:	Lauraine Rizer 974-7078, Peter Valdez 974-4873, Dean Harris 974-7061, Amanda Glasscock 974-7173
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

The City has occupied this space since 2001. The current monthly base lease amount is $7,669.30 or $18.78 per square foot annually. This rate has been in effect without increases for the past five years. The proposed lease renewal rate structure shown below would be effective June 1, 2011 and expire May 31, 2015.

Year 1: $8,169.00 per month, $20.01 per square foot annually
Year 2: $8,414.00 per month, $20.61 per square foot annually
Year 3: $8,667.00 per month, $21.23 per square foot annually
Year 4: $8,927.00 per month, $21.86 per square foot annually

The amounts shown above include base year 2000 taxes and insurance expenses. It is anticipated the City will reimburse the owner approximately $17,500 annually for taxes and insurance over the base year 2000 amounts for the renewal term. Such reimbursements are included in the requested authorization.