

A G E N D A



Recommendation for Council Action (Real Estate)

Austin City Council

Item ID:

25139

Agenda Number

39.

Meeting Date:

June 27, 2013

Department:

Office of Real Estate Services

Subject

Authorize the negotiation and execution of all documents and instruments necessary or desirable to lease retail space of approximately 4,154 square feet, located at 600 East 4th Street, Space A, Austin, Travis County, Texas, to the AUSTIN CONVENTION AND VISITORS BUREAU (Tenant) for 120 months. Tenant shall pay for all tenant improvements with no cost to the City.

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:

Mashell Smith 974-7149; Mark Tester 404-4040; Lauraine Rizer 974-7078; Amanda Glasscock 974-7173.

Boards and
Commission
Action:

MBE / WBE:

Related Items:

Additional Backup Information

The Austin Convention Center desires to have the Austin Convention and Visitors Bureau (ACVB) be within walking distance to the Convention Center as a cohesive measure to attract, accommodate and facilitate visitors to the City of Austin.

The Office of Real Estate Services (ORES) had a third party rent survey conducted. ACVB as Tenant shall design, construct and pay for all tenant improvements. Tenant improvements are estimated to be \$350,000. The proposed terms offer ACVB a market rate rent that may be reduced due to public benefit provided by ACVB to the City (lease rate of \$10 per square foot per year for the first five years and \$11.25 per square foot per year for the second five years). ACVB shall have an option to renew for two additional five year periods at the then prevailing fair market rental rate. ACVB has informed staff that on occasion alcoholic beverages may be provided to its guests during social functions as is customary in the convention business. All tenant improvements, including but not limited to, design of retail space, design of signage, and construction of retail space shall be approved by City.