A U S T I N C I T Y C O U N C I L

AGENDA

Recommendation for Council Action (Real Estate)

Austin City Council	Item ID:	37697	Agenda Number	51.

Meeting Date:	November 20, 2014
Department:	Office of Real Estate Services

Subject

Authorize the negotiation and execution of all documents necessary for the 180-month extension of a lease for 5,300 square feet of office space for the First Workers' Day Labor Center of the Health and Human Services Department, located at 4916 North Interstate Highway 35, Austin, Texas, from Najib Wehbe, in an amount not to exceed $2,115,130.

Amount and Source of Funding

Funding for the 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.

Purchasing Language:	
Prior Council Action:	August 27, 2009 – Council approved lease renewal. March 11, 2004 - Council approved lease renewal. June 3, 1999 - Council approved the original lease agreement.
For More Information:	Robert Kingham, Health and Human Services Department, (512) 972-5026; Mashell Smith, Office of Real Estate Services, (512) 974-7149; Lauraine Rizer, Office of Real Estate Services, (512) 974-7078; Amanda Glasscock, Office of Real Estate Services, (512) 974-7173.
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

This lease renewal allows for the continuation of the First Workers' Day Labor program. The purpose of this program is to link day laborers to employers in a safe and controlled environment. Program staff register and collect information from day laborers and employers on a daily basis to help match each laborer's skills with appropriate jobs. Staff also reaches out to potential employers, promoting the center's services that could result in additional job opportunities for laborers.

The existing lease expired August 31, 2014, with the current monthly rent of $8,003.60 or $18.13 per square foot annually. The proposed rental rate is $21.50 per square foot annually and includes approximately $99,375 of finish-out repairs and improvements. The proposed monthly rental rate structure includes 2.5% annual increases and pass-throughs of property taxes over a 2014 base rate.

This lease renewal was reviewed and approved by the Strategic Facilities Governance Team.