

A G E N D A



Recommendation for Council Action (Real Estate)

Austin City Council	Item ID:	51779	Agenda Number	37.
Meeting Date:	November 19, 2015			
Department:	Office of Real Estate Services			
Subject				
Authorize negotiation and execution of a lease of retail space of approximately 2,040 square feet, located at 407 Red River Street, Austin, Travis County, Texas, to TEXAS REDS & WHITES LLC for sixty (60) months (District 9).				
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:	Mark Tester, Austin Convention Center Department, (512) 404-4040; 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				

The Austin Convention Center desires to lease approximately 2,040 square feet of retail space to Texas Reds & Whites LLC. Texas Reds & Whites LLC will offer an opportunity to share Texas culture and taste with visitors, providing a creative and unique experience for conventioners, tourists and local visitors to downtown Austin.

The Office of Real Estate Services (ORES) had a third party rent survey conducted and a third party financial review determining financial capacity. Texas Reds & Whites LLC, as Tenant, shall design, construct and pay for all tenant improvements. Tenant improvements are estimated to be \$125,000. Rent shall be \$15 per square foot per year for the first five years. Tenant shall have an option to renew for two additional five (5) year periods. Should the Tenant choose to renew the lease, rent shall be at the then-prevailing fair market value for similar space. All tenant improvements, including design of retail space, design of signage, and construction of retail space shall first be approved by City.