



**Lease Agreement/Renewal
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 40
AGENDA DATE: Thu 07/29/2004
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SUBJECT: Authorize negotiation and execution of a twelve (12) month lease renewal for approximately 35,284 square feet of land located at 315 Sabine Street, Austin, TX, from RICK TRIPLETT, TRUSTEE OF LORENZ FAMILY TRUST, Austin, TX, for use by the Austin Convention Center, in an amount not to exceed \$166,915.96.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$21,152.66 is available in the Fiscal Year 2003-2004 Approved Operating Budget for the Convention Center Department. Funding for the remaining ten months of the original contract period is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Public Works
DEPARTMENT: for Convention Center;

DIRECTOR'S
AUTHORIZATION: Sondra Creighton

FOR MORE INFORMATION CONTACT: Dean Harris, 974-7061; Larry Anderson, 404-4055; Laura Bohl, 974-7064

PRIOR COUNCIL ACTION: June 29, 2000-original lease approved; June 27, 2002-lease renewal approved.

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

This site is being used as a construction staging area and location for construction office trailers for the Convention Center Expansion Parking Garage. It has become increasingly difficult to secure vacant land in the downtown area that can be used for this purpose. This site can also be used as a staging area for trucks that are delivering freight to the Convention Center service yard.

The City has leased this tract since August 1, 2000, with a current expiration date of July 31, 2004. The terms for the 35,284 square foot ground lease renewal are the same as the previous two-year term, as follows: \$10,576.33 base rent per month for the 12 month term, plus reimbursement to the Lessor of property taxes. Property taxes are estimated at \$40,000 and have been included in the requested authorization.

Based on an updated review of land values and return rates for ground leases, the proposed rental rate continues to appear reasonable.