

* **CONSENT AGENDA**
ITEM NO. 29

**CITY OF SAN ANTONIO
DEPARTMENT OF ASSET MANAGEMENT
INTERDEPARTMENTAL CORRESPONDENCE**

TO: Mayor and City Council

FROM: Rebecca Waldman, Director, Department of Asset Management

THROUGH: Terry M. Brechtel, City Manager

COPIES: Erik J. Walsh; file

SUBJECT: Ordinance Authorizing the Execution of a Lease Agreement (International Center) with Free Trade Alliance San Antonio, a Texas Non-Profit Corporation

DATE: December 4, 2003

SUMMARY AND RECOMMENDATIONS

An Ordinance authorizing the execution of a Lease Agreement with Free Trade Alliance San Antonio, a Texas Non-Profit Corporation, for the use of 2,521 square feet of office space at the International Center, located at 203 St. Mary's Street, at an annual rental of \$33,277.20 (\$2,773.10 per month) plus Common Areas Costs (C.A.M. charges") of \$6,957.96 annually (\$579.83 monthly), subject to annual adjustment, for a three year term commencing January 16, 2004, with one (1) three-year renewal option, subject to City Council Approval.

Staff recommends approval.

BACKGROUND INFORMATION

In 1996, construction began on the redevelopment of the former site of the Main Library into a mixed use building named the International Center, to house City of San Antonio departments and public and private enterprises focused on international relations and trade. Construction of the International Center was substantially completed in December 1997.

Free Trade Alliance San Antonio is a public/private partnership between the City of San Antonio, the Greater San Antonio Chamber of Commerce, the San Antonio Hispanic Chamber of Commerce, the Economic Development Foundation, and approximately 200 private San Antonio businesses dedicated to making San Antonio a center for international trade in the Americas. Free Trade Alliance San Antonio works closely with the City's International Affairs and Economic Development Departments to achieve their goals.

Free Trade Alliance San Antonio has been a tenant at the International Center since January 15, 1998 as approved by Ordinance 87410, dated February 26, 1998, which authorized a three-year lease term and one, three-year renewal option that was exercised and approved by Ordinance 93167, dated January 4, 2001, which extended the lease term

through January 15, 2004. This proposed action provides for a new Lease Agreement with a three-year term commencing January 16, 2004. In addition, this lease provides for one three-year renewal option, subject to City Council approval. Since 1998, Free Trade Alliance has paid a rental rate of \$13.20 per square foot per year. The Lease did, however, provide for a rental rate of \$6.60 on 270 square feet occupied by the Tenant. This proposed Lease Agreement maintains the rental rate of \$13.20 per square foot but applies it to all space occupied by Free Trade Alliance.

POLICY ANALYSIS

Approval of this agreement is consistent with the policy to generate revenue through the leasing of City-owned properties.

FISCAL IMPACT

Under the terms of the Lease Agreement, Free Trade Alliance San Antonio will pay rent at the rate of \$13.20 per square foot per year, for a total annual rent of \$33,277.20 (\$2,773.10 monthly). This reflects an annual rental increase of \$1,782 over the previous rental structure. In addition, Free Trade Alliance San Antonio will reimburse the City for their proportionate share of the Common Areas costs (C.A.M. charges) in the amount of \$2.76 per square foot per year, for a total of \$6,957.96 annually (\$579.83 monthly), subject to annual adjustments, but will be limited to an increase of not more than fifteen (15%) percent per year.

COORDINATION

This item has been coordinated with the City Attorney's Office and the Office of International Affairs.

SUPPLEMENTARY COMMENTS

The required Discretionary Contracts Disclosure Form is attached.



Rebecca Waldman, Director
Department of Asset Management



Erik J. Walsh
Assistant to the City Manager

City of San Antonio
Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

** This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.*

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

None

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Free Trade Alliance San Antonio

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

None

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

None

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

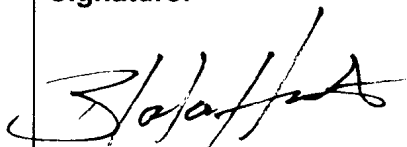
Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
None		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: 	Title: EXECUTIVE DIR Company: Free Trade Alliance	Date: 11/17/03

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.