

**CITY OF SAN ANTONIO
CONVENTION FACILITIES DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM**

TO: Mayor and City Council

FROM: Michael J. Sawaya, Director of Convention Facilities

SUBJECT: Lease Agreement with Audio Visual Services Group d/b/a Audiovisual Headquarters for 3,224 Square Feet of Space in Building 277 of Hemisfair Park

DATE: October 6, 2005

SUMMARY AND RECOMMENDATIONS

An ordinance authorizing the execution of a two (2)-year lease agreement with a one (1)-year renewal option between the City of San Antonio and Audio Visual Services Group d/b/a Audiovisual Headquarters for the use of 3,224 square feet of space located in Building 277 of Hemisfair Park in City Council District 1 for a monthly base rent of \$2,000 or \$24,000 annually.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

Audio Visual Services Group d/b/a Audiovisual Headquarters (AVHQ) is the contracted preferred provider for audio visual services at the Henry B. Gonzalez Convention Center, Lila Cockrell Theatre, and Municipal Auditorium (collectively considered "Convention Facilities".) The AV Preferred contract (Contract), approved by Ordinance #101049, has an initial term of three (3) years that commenced on July 1, 2005 with an option period, at City's discretion, of two (2) years. AVHQ currently occupies 1,062 square feet of space in Building 277 of Hemisfair Park that is assigned to them under the Contract and is adjacent to the 3,224 square feet in the proposed lease.

The proposed lease will be for two (2) years with a one (1)-year renewal option, will run concurrently with the initial term of the Contract, and commence on October 20, 2005 to coincide with the commission due date of the Contract. The lease covers 3,224 square feet of office and storage space in Building 277 of Hemisfair Park and provides AVHQ with access to the Building 277 dock area. In anticipation of certain termination triggers in the Contract, a 60-day termination clause, by either party, has been included in the lease. The Contract will be an attachment to the lease and the lease stipulates that it will automatically terminate should the Contract be terminated.

POLICY ANALYSIS

It is the City's policy to generate revenues through the leasing of City-owned properties. The close proximity of Building 277 to the Convention Center will help to ensure AVHQ's timely delivery of equipment and services to customers.

FISCAL IMPACT

In consideration for the use of the 3,224 square feet, AVHQ has agreed to compensate the City in the amount of \$2,000 per month or \$24,000 annually. The lease would commence on October 20, 2005 and expire on October 19, 2007. The one (1)-year renewal option, if exercised, would also generate \$24,000 and would commence on October 20, 2007 and expire on October 19, 2008.

AVHQ requested additional space on short notice due to the expiration of their warehouse lease. By locating audio and visual equipment in close proximity to the Center, they can better serve Convention Facilities clients. In an effort to accommodate AVHQ, temporary occupancy of the space was permitted beginning October 1, 2005. The first payment of \$2,000, due on October 20, 2005, will cover the period October 1, 2005 through November 19, 2005.

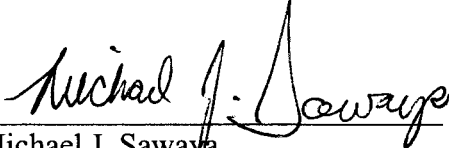
This revenue was not anticipated or included in the 2006 budget. There will be no General Fund impact.

COORDINATION

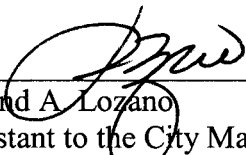
This item has been coordinated with the City Attorney's Office, the Asset Management Department, the Office of Management and Budget, and the Contract Services Department.

SUPPLEMENTARY COMMENTS

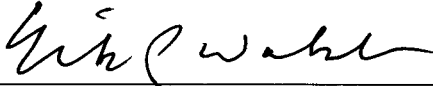
The required Discretionary Contract Disclosure Form is attached.



Michael J. Sawaya
Director of Convention Facilities



Roland A. Lozano
Assistant to the City Manager



J. Rolando Bono, City Manager

↓

City of San Antonio
Discretionary Contracts Disclosure

*For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient*

(1) Identify any individual or business entity¹ that is a party to the discretionary contract:

THIS DOES NOT APPLY TO ANYONE IN OUR ORGANIZATION.

(2) Identify any individual or business entity which is a partner, parent or subsidiary business entity, of any individual or business entity identified above in Box (1):

☒ No partner, parent or subsidiary; or

List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

(3) Identify any individual or business entity that would be a subcontractor on the discretionary contract:

☒ No subcontractor(s); or

List subcontractors:

(4) Identify any lobbyist or public relations firm employed by any party to the discretionary contract for purposes related to seeking the discretionary contract:

☒ No lobbyist or public relations firm employed; or

List lobbyists or public relations firms:

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. A sole proprietor should list the name of the individual and the d/b/a, if any.

(5) Political Contributions

List all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made 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 Box (1), (2), (3) or (4) above, or by the officers, owners of any business entity listed in Box (1), (2) or (3):

☒ No contributions made: If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:

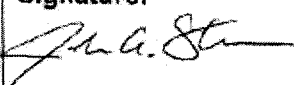
(6) Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), ("conflicts of interest") by participating in official action relating to the discretionary contract.

☒ Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

This form is required to be supplemented in the event there is any change in the information 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, whichever occurs first.

Signature:  JOHN A. STOWE	Title: DIRECTOR OF BUSINESS DEVELOPMENT Company or D/B/A: AUDIO VISUAL SERVICES GROUP, INC. (DBA) AUDIOVISUAL HEADQUARTERS	Date: 9/16/05
---	---	-------------------------

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.