



City of Austin

Legislation Details (With Text)

File #: 22-1092

Type: Consent **Status:** Agenda Ready

File created: 1/4/2022 **In control:** City Council

On agenda: 1/27/2022 **Final action:** 1/27/2022

Title: Authorize the negotiation and execution of an amended and restated lease for an initial term of 60 months and two 60-month renewal options with Wild About Music, Inc., d/b/a Austin Rocks, for approximately 1,435 square feet of retail space at located at 301 West 2nd St., Suite 200.

Sponsors:

Indexes: District 9

Code sections:

Attachments: 1. Map, 2. Recommendation for Action

Date	Ver.	Action By	Action	Result
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Posting Language

Authorize the negotiation and execution of an amended and restated lease for an initial term of 60 months and two 60-month renewal options with Wild About Music, Inc., d/b/a Austin Rocks, for approximately 1,435 square feet of retail space at located at 301 West 2nd St., Suite 200.

Lead Department

Financial Services Department.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

On October 6, 2011, Council approved a 43-month lease. On August 27, 2020, Council approved a second amendment for a renewal of 60 months.

For More Information:

Megan Herron, Financial Services Department, 512-974-5649; Michael Gates, Financial Services Department, (512) 974-5639.

Additional Backup Information:

Authorize the negotiation and execution of an amended and restated lease for an initial term of 60 months and two 60-month renewal options with Wild About Music, Inc., DBA Austin Rocks, for approximately 1,435 square feet of retail space at located at 301 West 2nd St., Suite 200.

Austin Rocks has been a tenant in this space at City Hall since February 2012. The lease was renewed in October 2015 for 60 months and renewed again in 2020 for 60 months starting 10/1/2020. Austin Rocks has been paying its current base rent, utilities, and monthly payments reducing its outstanding deferred cost balance since their 12-month deferment period due to COVID ended in March 2021.

This amended and restated lease is for a term of 60 months beginning 2/1/2022. Austin Rocks will then repay

deferred rent costs of \$21,103.81 in six monthly installments of \$3,517.30. Beginning 8/1/2022, Austin Rocks will pay a base rent of \$32.00 per square foot for the remainder of the initial term. Operating expenses for the first 12 months will be \$45.04 per month and will be based on proportionate share of property insurance and common area maintenance for every twelve (12) month period starting with month 13 until expiration of this lease.

The rental rate per square foot is within the market rate per a rent study conducted by a third-party appraiser.

Rent Schedule	Base Rent/SF	Base Rent (Monthly)	Operating Expenses (Estimated 5% annual increase)	Base Rent + Operating Expenses (Monthly)	Annual Base Rent + Operating Expenses
2/1/2022 - 7/31/2022	Deferred Rent	\$3,517.30	\$45.04	\$3,562.34	\$21,374.04
8/1/2022 - 1/31/2023	\$32.00	\$3,826.67	\$45.04	\$3,871.71	\$23,230.26
2/1/2023 - 1/31/2024	\$32.00	\$3,826.67	\$47.29	\$3,873.96	\$46,487.52
2/1/2024 - 1/31/2025	\$32.00	\$3,826.67	\$49.65	\$3,876.32	\$46,515.84
2/1/2025 - 1/31/2026	\$32.00	\$3,826.67	\$52.13	\$3,878.80	\$46,545.60
2/1/2026 - 1/31/2027	\$32.00	\$3,826.67	\$54.74	\$3,881.41	\$46,576.92
				Total:	\$230,730.18

Strategic Outcome(s):

Government that Works for All.