

DATE: December 5, 2022

TO: Peter Zanoni, City Manager

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License Agreement with ReconMR for the use of the Mann Street Parking Lot

CAPTION:

One-Reading Ordinance authorizing a 75-month license agreement with Texas Market Research Group, L.L.C. for use of 121 parking spaces at the City parking lot located at 900 Mann Street during specified hours.

<u>SUMMARY:</u> This item authorizes a license agreement between the City and ReconMR for 121 parking spaces in the City-owned parking lot at Mann and Mesquite Street ("Mann Street Parking Lot").

BACKGROUND AND FINDINGS:

In October 2015, the City entered into a lease agreement with The Results Co. to lease 85 parking spaces at the Mann Street parking lot for \$2,000 per year with a job requirement to hire 150 new employees. In June 2016, the City amended this lease agreement to add an additional 36 parking spaces for \$3,600 per year with an additional job requirement to hire 150 new employees. Their total lease payment was \$5,600 per year for 121 parking spaces consisting of the entire parking lot. The Results Co. has significantly downsized over the last two years and is vacating Bayview Tower in early 2023. Their parking lot lease ended on October 31, 2022.

ReconMR is a data collection research firm that will be occupying a portion of the office space that The Results Co. is vacating in Bayview Tower. ReconMR and Bayview Tower contacted the Economic Development Department to discuss their parking needs. ReconMR is headquartered in the Austin-San Marcos metro area with five call center operations in Texas, employing over 1,000 staff statewide. They acquired the Corpus Christi location in 2020, located on Old Brownsville Rd. Locally, ReconMR employs 275 with plans to hire an additional 250 employees at their new proposed location at Bayview Tower in Downtown Corpus Christi, bringing their total local employment to 525.

Bayview Tower is unable to accommodate the total parking needs of ReconMR, and auxiliary parking is needed, specifically for the night shift, which begins at 4:00 pm. ReconMR anticipates their peak needs are for the night shift, with approximately one-third of their workforce to be onsite at that time, with anywhere between 65-75% of their workforce driving a car. Bayview Tower will allocate 30 spaces in the parking garage for ReconMR.

ReconMR and Bayview Tower management approached the Economic Development Department regarding this parking issue. Staff began working with ReconMR and Bayview Tower to develop a satisfactory arrangement to retain and expand their operations in Corpus Christi. Under this agreement, ReconMR will license exclusive rights to use 100 of the parking spaces between the hours of 3:30 pm and 4:00 am and the exclusive right to use the remaining 21 spaces between the hours of 6:00 pm and 4:00 am each day. The term of this agreement is for 75 months beginning February 1, 2023, and will run concurrently with ReconMR's lease at Bayview Tower. After the first thirty-six (36) months, either party may terminate this agreement with a six (6) month notice. ReconMR will pay \$12,100 per year payable in advance upon execution of this lease and each subsequent year.

ALTERNATIVES:

City council could choose not to approve the license agreement with ReconMR for the use of the Mann Street Parking Lot. Without this parking agreement, ReconMR would expand its San Antonio facility to accommodate the closing of the Corpus Christi location.

FINANCIAL IMPACT:

The fiscal impact of this item is an additional \$12,100 annually in revenue.

RECOMMENDATION:

Staff recommends approving the ordinance to execute a license agreement with the ReconMR for 121 parking spaces in the City-owned parking lot at Mann and Mesquite Street ("Mann Street Parking Lot").

LIST OF SUPPORTING DOCUMENTS:

One-reading Ordinance – Mann Street Parking Lot License Agreement – Mann Street Parking Lot License