



## AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of January 11, 2022  
Second Reading Ordinance for the Council Meeting of January 25, 2022

**DATE:** January 04, 2022  
**TO:** Peter Zanoni, City Manager  
**FROM:** Charles Mendoza, Director of Asset Management  
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### City of Corpus Christi and Sinister Off Road Amendment of Lease Agreement.

#### **CAPTION:**

Ordinance authorizing an amendment of the current contract with Sinister, LLC to maintain the monthly rent rate of \$100 for the first option year of the City owned property located at 1401 Leopard Street for a parking lot.

#### **SUMMARY:**

The purpose of this item is to amend the current contract from a monthly rate of \$300 to \$100 with Sinister Off Road, LLC for use of a parking lot on 1401 Leopard.

#### **BACKGROUND AND FINDINGS:**

Sinister Off Road is an automotive, off road, and custom fabrication shop located on 1400 Leopard Street. This lease refers to a City parking lot that has not been in use and is across the street on 1401 Leopard Street. In return, the City will gain revenue and maintenance on a parking lot that has been vacant. The Harbor Bridge construction has caused a major disruption to this automotive shop and has made it hard to conduct business and has reduced their revenues. In addition, the continued negative impact of the COVID-19 pandemic has reduced his labor workforce and has caused a reduction of work to be accomplished. Furthermore, COVID-19 has also produced a shortage of the supply chain causing delays of many automotive parts. Lastly Sinister has been a great neighbor in taking care of this property and provided additional security around our City Hall Building.

The key points of this amended lease are:

- The first-year rental rate was \$100 per month
- Still four (4) additional one-year periods (option periods)
- \$100 per month rent, on or before the first day of each month for the first-year option; all other remaining options remain at \$300 per month rent
- Sinister will be solely responsible for the costs of surface maintenance, repairs, mowing and grounds maintenance, and all utilities

- The premise will serve as a parking lot only, and for no other purpose
- May not assign this lease or sublet without consent of the City
- Shall not make alterations, additions, or structural changes without prior written consent and approval of the City
- Responsible for the towing of unauthorized vehicles on leased property

**ALTERNATIVES:**

An alternative would be to not lease the parking lot to Sinister Off Road. However, this will provide an opportunity for the City to gain revenue in addition to maintenance on a parking lot that has been vacant.

**FISCAL IMPACT:**

A total of \$1,200 will be the annual amount of rent for this agreement for the first-year option.

**FUNDING DETAIL:**

Fund: 1020

Organization/Activity:

Mission Element:

Project # **(CIP Only):**

Account: 343400

Cost: \$1,200

**RECOMMENDATION:**

Staff recommends approval of ordinance authorizing the first-year option of \$100 per month with remaining three (3) year lease with Sinister, LLC with monthly rent of \$300 for use of the city owned property located at 1401 Leopard Street for a parking lot.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance

Amended Lease Agreement