



AGENDA MEMORANDUM

First Reading Item for the City Council Meeting of January 24, 2017
Second Reading Item for the City Council Meeting of January 31, 2017

DATE: January 13, 2017

TO: Margie C. Rose, City Manager

FROM: Stacie Talbert Anaya, Interim Director, Parks and Recreation Department
StacieT@cctexas.com
361-826-3460

Lease Agreement with the Buccaneer Commission for the Tex-Mex Railroad Depot

CAPTION:

Ordinance authorizing the City Manager or designee to execute a five- year lease agreement with Buccaneer Commission for the use of Tex Mex Railroad Depot located at 1800 block of Chaparral Street, in consideration of rental payments of \$600 per month increasing to \$750 per month in third year and \$900 per month in fourth year; and providing for options to extend for up to two additional five-year terms with rental rates to be increased each five-year term by ten percent; and providing for publication.

PURPOSE:

Lease the Tex Mex Railroad Depot to the Buccaneer Commission for office space for its operations and coordination of the Buc Days Festival, Parade, Rodeo and other community-wide events.

BACKGROUND AND FINDINGS:

The Buccaneer Commission has leased the Jalufka-Gavatos House located in Heritage Park for since 2006 for a monthly payment of \$400. This has been a very good partnership for the Parks & Recreation Department and the City as a whole. The Commission, however, has outgrown the space and needs additional room to host event planning meetings, workshops and other gatherings.

A five-year lease with the Hispanic Chamber of Commerce prior to their merger with the Corpus Christi Chamber of Commerce (United Chamber of Commerce – now) was executed for the Tex-Mex Railroad Depot in January 2015. The Chambers officially vacated the Depot in early January 2017. Because of the funds the Chamber spent on rehabilitating the building, their lease payments were scheduled to be \$0 in lieu of repairs for the first 36-months; \$450 for months 37-48; \$900 for months 49-60. Due to the length of the terms, this item requires two readings takes effect the 61st day.

The proposed lease of the Depot to the Buccaneer Commission includes a tiered rent schedule to accommodate further repairs and updates the Commission has proposed for the building.

ALTERNATIVES: Do not approve the lease for the Tex-Mex Railroad Depot.

OTHER CONSIDERATIONS: Not applicable.

CONFORMITY TO CITY POLICY: City Council must approve all lease agreements.

EMERGENCY / NON-EMERGENCY: Non-Emergency

DEPARTMENTAL CLEARANCES: Legal

FINANCIAL IMPACT:

☐ Operating Revenue ☐ Capital X Not applicable

Fiscal Year: 2016-2017	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s): General Fund

Comments: As the revenue for the lease of this facility is already included in the FY2017 operating budget, no additional impact is anticipated.

RECOMMENDATION:

Approve the lease of the Tex-Mex Railroad Depot to the Buccaneer Commission

LIST OF SUPPORTING DOCUMENTS:

Ordinance

Proposed Lease Agreement

Lease Agreement Exhibit A