
CITY OF PORT LAVACA

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PORT COMMISSION MEETING: September 20, 2022

DATE: 09.15.2021

TO: PORT COMMISSION

CC: JIM RUDELLAT, HARBOR MASTER

FROM: JODY WEAVER, INTERIM CITY MANAGER

SUBJECT: CONSIDER RENTAL RATES AND TERMS FOR NEW LEASES Suite 5

Bay Ltd. did not notify us in time to exercise the one-year option available in their lease, but has expressed interest in a new one year lease, and might consider a one year option if available.

The MCI for August will probably be out sometime around the 25th of the month. The July MCI was at 9.98%, down from a peak of 12.51% in April and 12.24% in June. I'm guessing it will drop again, but to what we'll have to wait.

I was planning to wait and see what the published MCI is and start negotiations with that percentage. Regardless of the published MCI, the starting rent needs to be greater than the 5% that would have been used if the one year option was available. The current lease expires on October 31.