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## 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 1D Port Lavaca Plumbing**

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Port Lavaca Plumbing has notified us that they would like to continue to rent Suite 1D, however the notification did not come in time to consider an extension to the existing lease. Therefor we are looking at a new lease agreement with Port Lavaca Plumbing for the Suite. The terms on their current lease is \$450.00/month.

We are suggesting a new monthly rent rate of \$481.50 (7% increase) with the option of 1 additional year with an increase per the MCI (with or without a minimum or maximum). Rick Lewis has agreed to this.

This \$481.50 is broken down as follows: Square footage = 205 sf for Suite + 63 sf for closet = 268 sf total used space

Rent:	\$356.50 (\$1.33/sf)
Elect. allocation	\$100.00
Breakroom/restroom:	\$ 25.00
Total	\$481.50 (\$1.80/sf)

Note: last year we had not included the square footage of the closet in the calculations which is why the per sf cost appeared so much higher than the others. Port Lavaca Plumbing is using all of this closet for storage, so I have included it in the calculation.

Attached is a comparison of rental rates at this time and proposed.

# NAUTICAL LANDINGS OFFICE BUILDING LEASES: Setpember 2022

Suite 1D	PL Plumbing	268 sf	Proposed New Lease:			
Rent:	\$	1.213 /sf	\$	325.00	\$	360.00 \$ 1.34 /sf
Elect:	\$	0.373 /sf	\$	100.00	\$	100.00
Breakroom/restroom:		\$	25.00	\$	25.00	
	\$	1.68 /sf	\$	450.00	7% incr	\$ 481.50 \$ 1.80 /sf

Suite 1E/F	G4S	320 sf				
Rent:	\$	1.48 /sf	\$	475.00		
Elect:	\$	0.31 /sf	\$	100.00		
Breakroom/restroom:		\$	25.00			
	\$	1.88 /sf	\$	600.00	Option for 2%-5% increase in March 2023	

Suite 2	Spiretek	1440 sf	New Rent Nov. 2022:			
Rent:	\$	1.132 /sf	\$	1,630.00	\$	1,718.75 \$ 1.19 /sf
Elect:	\$	0.139 /sf	\$	200.00	\$	200.00
Water:		\$	20.00	\$	25.00	
Breakroom/restroom:		\$	25.00	\$	25.00	
	\$	1.30	\$	1,875.00	5% incr*	\$ 1,968.75 \$ 1.37 /sf
* per option submitted on time						

Suite 3	Edward Jones	1055 sf	New Lease Sept. 2022			
Rent:	\$	0.976 /sf	\$	1,030.00	\$	1,092.00 \$ 1.04 /sf
Elect:	\$	0.095 /sf	\$	100.00	\$	115.00 \$ 0.11 /sf
Water:		\$	20.00	\$	20.00	
	\$	1.09	\$	1,150.00	7% incr	\$ 1,227.00 \$ 1.16 /sf
4% annual increase for Yr 2 thru 5						

Suite 4	SMM	622 sf				
Rent:	\$	0.920 /sf	\$	572.00		
Elect:	\$	0.109 /sf	\$	68.00		
Water:		\$				
	\$	1.03	\$	640.00		

Suite 5	Bay Ltd	1160 sf	Proposed New Lease:			
Rent:	\$	1.069 /sf	\$	1,240.00		
Elect:	\$	0.164 /sf	\$	190.00		
Water:		\$	20.00			
	\$	1.25 /sf	\$	1,450.00	Waiting on August MCI figures to make a recommendation	
				7% incr	\$ 1,551.50	\$ 1.34 /sf
				9.89% incr	\$ 1,593.41	\$ 1.37 /sf

Avg Elect. North end:	\$664	\$ 558.00	\$ (106.00)	** This can be estimate for Day Rm and part of HM to be paid by Marina Rates)		
Avg Elect. South end:	\$269	\$ 200.00	\$ (69.00)	** This would account for the conference room		
	\$933	\$ 758.00		with extra \$65 revenue = OK!		
Avg water North end:	\$80	\$ 60.00				
Avg water South end:	\$45	\$ 50.00				
	\$125	\$ 110.00	\$ (15.00)	** For Day Room and to be paid with Marina Rates		