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CITY OF PORT LAVACA

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**PORT COMMISSION MEETING:** JANUARY 16, 2024

**DATE:** 01/10/2024

**TO:** PORT COMMISSION BOARD MEMBERS CC: JIM RUDELLAT, HARBOR MASTER

**FROM:** JODY WEAVER, INTERIM CITY MANAGER

**SUBJECT: CONSIDER RENTAL RATES AND TERMS FOR NEW LEASE FOR TRACT 10 - CH**

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Information for consideration:

According to the Valbridge Appraisal Report, we should expect an annual rental rate of \$20,000 for Tract 10 of City Harbor, being 480 LF of dock. There has been a 1.43% increase in the MCI since the report was issued in May, which brings this amount to \$20,287, or \$3.52/LF/Mo. of dock.

Currently Prestige leases only 330 ft of the total 480 LF for \$1,213.66/Mo or \$3.68/LF/Mo, for an annual rate of \$14,563.92.

- If the new lease will be for the entire 475.8 linear feet of tract 10, then the proposal is \$1690.50/Mo or \$20,286.00 annually (\$3.553/LF).
- If we are agreeable to again leasing only 330 liner feet of Tract 10, then I would propose a target annual revenue of at least \$15,000 since it may be difficult to find a lessor for just the last 150 ft. For 330 ft this would equate to \$1,250/Mo or \$3.787/LF/Mo.
- The lease will include language to apply an MCI increase on October 1 of each year of the lease term.
- Term length: The current lease was for 2 years with a single 3-year option.

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**PORT COMMISSION MEETING: JANUARY 16, 2024,**

**DATE:** 01/10/2024

**TO:** PORT COMMISSION

**CC:** JIM RUDELLAT, HARBOR MASTER

**FROM:** JODY WEAVER, INTERIM CITY MANAGER

**SUBJECT:** Lease of Tracts 9, 9A at the City Harbor

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Information for consideration

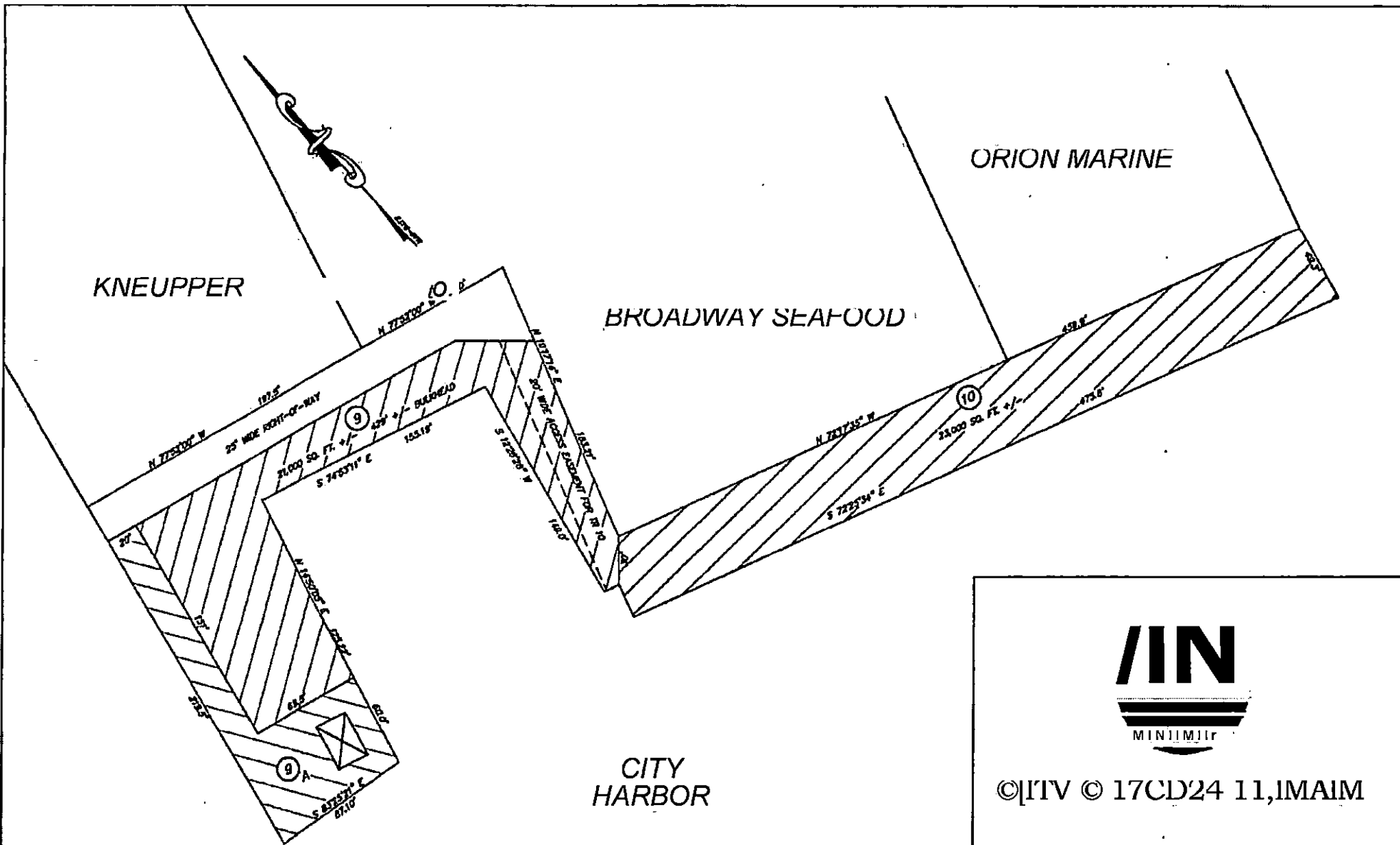
Reference the attached Site Plan of Tracts 9, 9A, and 10.

According to the Valbridge Appraisal Report, we should expect an annual rental rate of \$1.03/SF for Tract 9 and 9A, or an annual rental rate of \$30,000.

Tract 9 is 21,000 sf (\$21,630 annual rate) = \$1,802.50/Mo (*429.4 LF dock equates to \$4.20/LF*)

Tract 9A is 8230 sf (\$8,477 annual rate) = \$706.42/Mo

Combined = \$2,508.92/Mo = \$30,107 annual rate.



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CITY HARBOR  
TRACTS 9, 9A, AND 10