
CITY OF PORT LAVACA

PORT COMMISSION MEETING: DECEMBER 19, 2023

DATE: 12.13.2023

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

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.

CITY OF PORT LAVACA

PORT COMMISSION MEETING: DECEMBER 19, 2023 **AGENDA ITEM #** _____

DATE: 12/13/2023

TO: PORT COMMISSION

CC: JIM RUDELLAT, HARBOR MASTER

FROM: JODY WEAVER, INTERIM CITY MANAGER

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

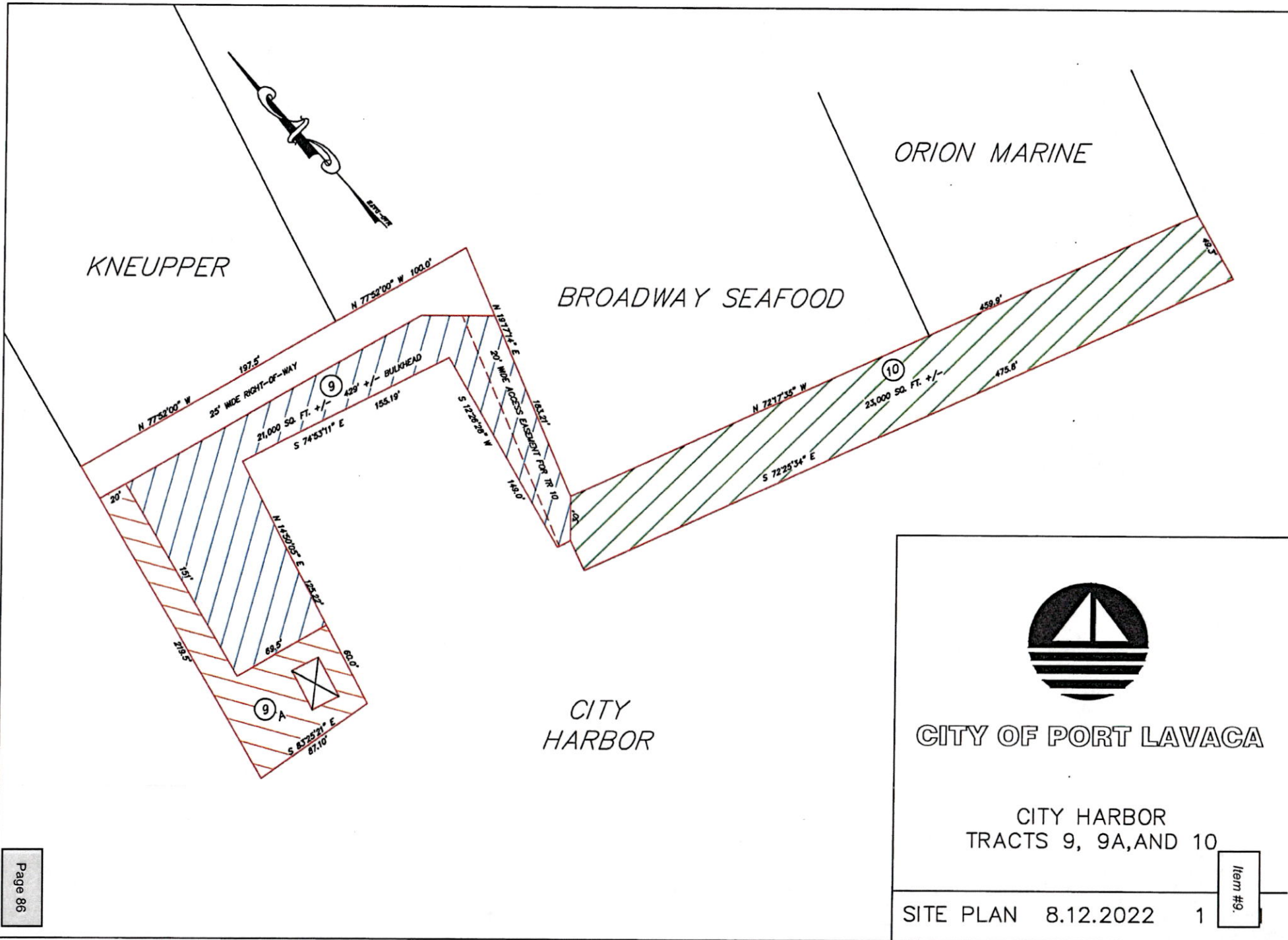
Information for consideration

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.



KNEUPPER

ORION MARINE

BROADWAY SEAFOOD

CITY HARBOR



CITY OF PORT LAVACA

CITY HARBOR
TRACTS 9, 9A, AND 10

SITE PLAN 8.12.2022

1

Item #9