



# PFLUGERVILLE

Community Development Corporation

To: Mayor Coleman  
Councilman Marshall  
Councilman White  
Councilmember Sattler  
Councilman Cooper  
Mayor Pro Tem Gonzales

From: Floyd M. Akers  
Executive Director

Cc: Brandon Wade  
City Manager

George Hyde  
City Attorney

Date: 8-7-12

Subj: Executive Summary

## **LEASE AGREEMENT BETWEEN PRINCESS CRAFT, INC AND PCDC & LEASE AGREEMENT BETWEEN PCDC AND COMPLETE ENERGY SYSTEMS**

The PCDC has negotiated a lease agreement for the Princess Craft property located caddy corner from City Hall. As you are aware that is the most high profile non-conforming use lot in the Central Business District. Due to the sensitive nature of the location and the unique building the PCDC Board felt that they were in a unique position to lease the property and ensure any subsequent users were compatible with the downtown business district. The terms of the lease are as follows:

5 year lease

Start 8-1-12 end date 7-31-17

\$3,800 per month / \$45,600 annually

+taxes approximately \$9,800 annually

+insurance (depends on use)

+maintenance (depends on use)

The PCDC has the ability to sublet without permission of landlord

The PCDC has negotiated a sublease agreement for the Princess Craft property with Complete Energy Systems. CES manufactures / assembles solar/wind powered trailers for off grid energy production. PCDC felt the green manufacturing operation at this location was compatible with the City's desire to promote clean energy and would be about half as intensive as Princess Craft. The reduced (walk-in/retail) business of CES's operation will free up numerous parking spaces in the downtown business district. In addition, Dr. Katz has offered work with the City during Chilifest for use of his available parking lot.

The terms of the sublease are as follows:

3 year lease

Start 8-1-12 end date 8-1-15

First two months free

\$3,900 per month / \$46,800 annually

+taxes approximately \$9,800 annually

+insurance PCDC and Princess Craft shall be named as additional insured

+maintenance

CES may not sublet without PCDC's permission

CES has requested an option for the additional two years.