

ORDINANCE 2019-08-22-0657

AUTHORIZING AND APPROVING THE SECOND AMENDMENT TO THE REVISED AND RESTATED LICENSE AGREEMENT WITH UTSA FOR UTSA INTERCOLLEGIATE FOOTBALL GAMES HOSTED AT THE ALAMODOME.

* * * * *

WHEREAS, Ordinance No. 2012-09-06-0676, approved on September 6, 2012, authorized the Revised and Restated License Agreement for UTSA Intercollegiate Football Games to be hosted at the Alamodome beginning September 12, 2012 to December 2035 (“Agreement”) and Ordinance No. 2015-08-13-0695, approved on August 13, 2015, authorized an Amendment to the Agreement; and

WHEREAS, the attendance at UTSA games has been declining over the last six years, while their event-related costs have increased, necessitating revisions to the Agreement to address the Ticket Service Charge Fee, Renewal and Improvement Fee, Facility Access Fee and Parking in an effort to partner with UTSA to reduce its event-related costs and assist them with growing the football program; and

WHEREAS, the proposed Second Amendment to the Revised and Restated License Agreement implements a buyout covering the Ticket Service Charge Fee, Renewal and Improvement Fee, Facility Access Fee and Parking, averaging \$70,000 to \$75,000 per game; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The terms and conditions of the Second Amendment to the Revised and Restated License Agreement between the City and UTSA are authorized and approved. The City Manager, or his designee, is authorized to execute the Second Amendment, a copy of which has been previously executed by UTSA and is attached to this Ordinance as **Exhibit I**.

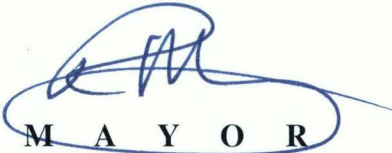
SECTION 2. Funds generated by this Ordinance will be deposited into Fund 29016000, Internal Order 245000000937 and General Ledger Accounts 4403110, 4407223 and 4407900.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager’s designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

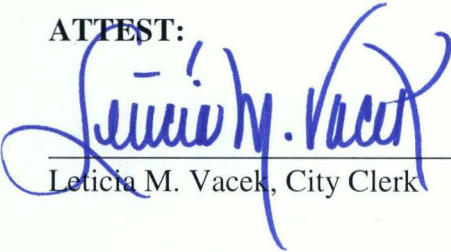
LB
08/22/19
Item No. 22

SECTION 4. This Ordinance shall take effect immediately upon the receipt of eight affirmative votes; otherwise it shall be effective ten days after its passage.

PASSED AND APPROVED this 22nd day of August, 2019.


M A Y O R
Ron Nirenberg

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney

Agenda Item:	22 (in consent vote: 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, P-1, Z-1)						
Date:	08/22/2019						
Time:	09:35:19 AM						
Vote Type:	Motion to Approve						
Description:	Ordinance approving the Second Amendment to the Revised and Restated License Agreement with UTSA for UTSA Intercollegiate Football Games hosted at the Alamodome. Revenues collected by this amendment will be deposited in the Community & Visitors Facilities Fund. [Carlos Contreras, Assistant City Manager; Patricia Muzquiz Cantor, Director, Convention & Sports Facilities]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x				x
Jada Andrews-Sullivan	District 2		x				
Rebecca Viagran	District 3		x				
Dr. Adriana Rocha Garcia	District 4		x				
Shirley Gonzales	District 5		x				
Melissa Cabello Havrda	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x			x	
Clayton H. Perry	District 10		x				

LB
08/22/19
Item No. 22

EXHIBIT I

**SECOND AMENDMENT TO REVISED AND RESTATED
ALAMODOME LICENSE AGREEMENT FOR
UTSA INTERCOLLEGIATE FOOTBALL GAMES**

This Second Amendment to the Revised and Restated Alamodome License Agreement for UTSA Intercollegiate Football Games (“**Second Amendment**”) is entered into effective May __, 2019 (“**Amendment Effective Date**”) by and between the City of San Antonio, a Texas Municipal corporation (“**City**”), acting by and through its City Manager pursuant to and duly authorized by Ordinance No. 2019-__-__-__, passed and approved on _____, 2019, and the Board of Regents of The University of Texas System for the use and benefit of The University of Texas at San Antonio (“**Licensee**”) acting by and through its duly authorized designated officer.

A. City and Licensee entered into the Revised and Restated Alamodome License Agreement for UTSA Intercollegiate Football Games pursuant to City of San Antonio Ordinance No. 2012-09-06-0676, dated September 6, 2012, and amended the Agreement through the First Amendment to the Revised and Restated Alamodome License Agreement for UTSA Intercollegiate Football Games (“**First Amendment**”) pursuant to City of San Antonio Ordinance No. 2015-08-13-0695, dated August 13, 2015 (collectively, the “**Agreement**”).

B. It is necessary to make additional revisions to the Agreement to address the Ticket Service Charge Fee, which will be expiring in December 2019, as well as the Renewal and Improvement Fee, Facility Access Fee and the parking fee in an effort to partner with Licensee to reduce its Event costs.

Therefore, in consideration of the recitals and for other good and valuable consideration, the receipt and legal sufficiency of which are acknowledged by the parties, City and Licensee agree to amend specific provisions of the Agreement as of the Amendment Effective Date as set out in this Second Amendment.

1. The First Amendment is deleted in its entirety.
2. Section 1.21 is deleted in its entirety and replaced with the following:

“Renewal and Improvement Fee means a fee payable to City equal to the number of Event tickets sold for each Event (not including complimentary tickets and Student Tickets) multiplied by three dollars (\$3.00) or the then-current fee, in accordance with authority granted by City Council Ordinance No. 2014-09-18-0694, adopted on September 18, 2014, for so long as such Ordinance, and any amendments thereto, remain in effect.”

3. Section 1.31 is added to the Agreement, to read as follows:

“Ticket Service Charge Fee (“TSCF”) means a fee that is currently set at two dollars (\$2.00), which shall be added to the price of each Event ticket through December 31, 2019, in addition to any taxes or service charges assessed by Licensee or City’s ticket distributor, in accordance with authority granted by the Ticket Fee Ordinance and any amendments thereto through 2019.”

4. Section 2.3(d) is amended to include “barricades, as required by the San Antonio Police Department.”
5. Section 4.1(g) is deleted in its entirety and is replaced with the following:

“Buyout of Renewal and Improvement Fee, Facility Access Fee, and Ticket Service Charge Fees and Parking. For Events in 2019, Licensee shall pay an amount of Seventy Thousand Dollars (\$70,000) per Event to cover the Renewal and Improvement Fee, Facility Access Fee, and the 2019 Ticket Service Charge Fee (“Fees”), and to buyout all parking in Lots A, B and C pursuant to Licensee’s rights under Section 7.1 of the Agreement (“collectively, the “Buyout”). For Events in 2020, the Buyout shall be increased to Seventy-Two Thousand Five Hundred Dollars (\$72,500) per Event (notwithstanding the expiration of the Ticket Service Charge Fee). For Events beginning in 2021, the Buyout for Events shall be Seventy-Five Thousand Dollars (\$75,000). The parties understand, acknowledge, and agree that the Buyout is intended to cover all aspects of the Fees and Licensee’s Alamodome parking privileges (ref. Section 7.1), and notwithstanding any language to the contrary in Sections 1.16, 1.21, or 1.31, the Buyout amount shall not be increased except as expressly described in this Section 4.1(g).

At any time prior to September 1, 2024, either party may make a request to the other party to renegotiate the amount of the Buyout (“Buyout Negotiation Request”). Should either party initiate a Buyout Negotiation Request, then the parties shall negotiate in good-faith to establish a new Buyout amount that would become effective no sooner than the 2025 Event season.

If either party initiates a Buyout Negotiation Request, and the parties fail to agree on a new Buyout amount prior to January 31, 2025, then the payment structure for Licensee shall revert to the terms of the payment structure provided under Article Four and Article Seven of the original Revised and Restated Alamodome License Agreement for UTSA Intercollegiate Football Games entered into between the City and UTSA approved by City Council and effective on September 6, 2012 and shall include any increases in the Renewal and Improvement Fee, the Facility Access Fee and the parking fee and any new fees assessed by City Council, which will automatically be included in the Agreement. This payment structure shall continue for the duration of the Term of this Agreement or until the parties agree to new Buyout terms

Should the parties agree to a new Buyout amount, such new Buyout Amount can only be implemented prior to the commencement of a full Event season.”

6. Section 4.2 of the Agreement is deleted in its entirety and is replaced with the following:

“Time of Payments. Licensee shall pay to City (i) the Building License Payment stipulated in Section 4.1(a), (ii) the fees and expenses incurred by City in providing any Optional and Additional services stipulated in Sections 4.1(c) and 8.2, and (iii) the Buyout within thirty (30) days after completion of each Event, subject to Licensee’s receipt of any supporting documentation reasonably requested by Licensee pertaining to said service costs and fees.”

7. A new Section 4.3 is added to the Agreement, to read as follows:

“Box Office Fees. “City shall be entitled to all funds resulting from the Buyout. City shall be entitled to retain all funds from the Fees on tickets sold at the City’s Box Office. However, should UTSA implement its own service fees on ticket sales through its approved governance structure, then such fees shall be provided directly to UTSA.

8. Section 7.1 of the Agreement is deleted in its entirety and replaced with the following:

“Public Parking on Event Days. The Alamodome parking lots will be available for public parking on all Event days in accordance with applicable codes and ordinances of the City of San Antonio. The Alamodome does not allow in and out parking privileges. As provided for in Section 4.1(g), Licensee will, through the Buyout, purchase all parking in Lots A, B and C for each Event. One hundred eighty-five (185) parking spots shall be reserved for City’s use, in City’s sole discretion, during every Event. Licensee will have the right to resell, with mark-up, such parking spaces to ticket holders for Events, however Licensee cannot charge a rate higher than double the rate set by City Ordinance. As part of the Buyout, City shall provide and operate parking operations for the Events and Licensee shall receive all the funds raised by such operations. City will provide staffing at the 2018 level of eighteen (18) parking attendants. Should additional services be required, they will be billed at the rate set forth in applicable Rate Sheet, without mark-up, and will be paid in the same manner as services provided under 2.3(d).”

9. Section 7.2 of the Agreement is deleted in its entirety.

Except as otherwise expressly modified, all terms and provisions of the Agreement are ratified and confirmed and shall remain in full force and effect, enforceable in accordance with their terms. Except as otherwise expressly provided, the Parties do not intend to, and the execution of this Amendment will not, in any manner impair the Agreement.

Signatures on following page


IN WITNESS WHEREOF, on this ___ day of September, 2019 Licensee and City have executed and delivered this Second Amendment to be effective as of the Amendment Effective Date set forth above.

CITY OF SAN ANTONIO

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

for the use and benefit of THE UNIVERSITY OF TEXAS AT SAN ANTONIO

Erik Walsh
City Manager



Veronica Mendez
Vice President for Business Affairs

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney