

AN ORDINANCE 2018-03-01-0160

AUTHORIZES THE EXECUTION OF AMENDMENT NO. 3 TO THE LEASE AGREEMENT WITH THE CITY OF ALAMO HEIGHTS FOR USE OF PARK PROPERTY IN OLMOS BASIN PARK TO EXTEND THE CONTRACT TERM BY 40 YEARS WITH ONE 40 YEAR EXTENSION.

* * * * *

WHEREAS, since 1947, the City of San Antonio has leased at no cost property in Olmos Basin which is owned by the City of San Antonio but within the city limits of Alamo Heights to the City of Alamo Heights, for use as parkland; and

WHEREAS, the current agreement for approximately 38 acres of parkland is scheduled to expire February 28, 2027; and

WHEREAS, the City of Alamo Heights is planning capital improvements located on the lease premises; and

WHEREAS, due to the significance of the capital expense the City of Alamo Heights is requesting to extend the current lease agreement for an additional 40 years, beginning March 1, 2018 - February 28, 2058; with an additional 40 year extension; and

WHEREAS, this term is consistent with the original 1947 lease agreement; and

WHEREAS, the improvements are consistent with the contract terms which require the City of Alamo Heights to maintain and improve the premises at their cost; **NOW THEREFORE:**

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

SECTION 1. The City Manager, or her designee, or the Director of the San Antonio Parks & Recreation Department or his designee is hereby authorized to execute Amendment No. 3 to the Lease Agreement with the City of Alamo Heights for use of park property in Olmos Basin Park to extend the contract term by 40 years with one 40 year extension. A copy of the amendment in substantially final form is attached hereto and incorporated herein for all purposes as **Attachment I.**

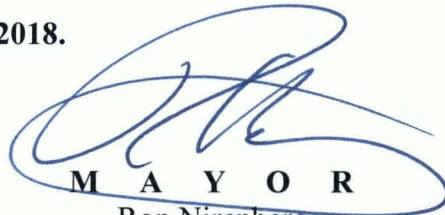
SECTION 2. The City Manager, or her designee, or the Director of the San Antonio Parks & Recreation Department or his designee is further authorized to execute any and all necessary documents to effectuate said acceptance.

SECTION 3. There is no financial impact.

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

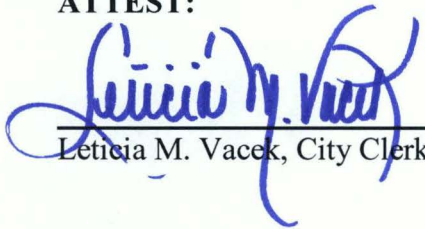
SECTION 5. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 1st day of March, 2018.



M A Y O R
Ron Nirenberg

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney

Agenda Item:	13 (in consent vote: 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17)						
Date:	03/01/2018						
Time:	09:20:52 AM						
Vote Type:	Motion to Approve						
Description:	Ordinance amending the Lease Agreement with the City of Alamo Heights for use of park property in Olmos Basin Park, extending the contract term by 40 years with one 40 year extension. [María Villagómez, Assistant City Manager; Xavier D. Urrutia, Director, Parks and Recreation]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x			x	
William Cruz Shaw	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x				
Clayton H. Perry	District 10		x				

SW
3/1/18
Item No. 13

ATTACHMENT I

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The City of Alamo Heights Lease Agreement Amendment No. 3

This Agreement is by and between the City of San Antonio, acting herein through its City Manager pursuant to Ordinance No. _____, dated _____, 2018, passed and approved by the City Council, and the City of Alamo Heights, acting herein through its City Manager pursuant to Ordinance No. _____, dated _____, 2018, passed and approved by the City Council.

WHEREAS, since 1947, the City of San Antonio and the City Alamo Heights have participated in a lease agreement to allow Alamo Heights to use property in the Olmos Basin Park area for park, playground and recreational purposes, and such agreement being passed and approved through Ordinance 4976 on April 24, 1947; and

WHEREAS, the lease area included a large portion of the Olmos Basin area, but did not include two tracts that were reserved for a park caretaker's house; and

WHEREAS, on December 13, 1951, the City of San Antonio approved Ordinance No. 16773 that amended the original agreement to include a 200' by 275' tract of land by the caretaker's house to allow for park expansion by the City Alamo Heights, said amendment being known as Amendment No. 1; and

WHEREAS, on April 6, 1987 the City of Alamo Heights notified the City of San Antonio of its election to exercise the option to renew the original agreement and the City Council of San Antonio subsequently approved this extension on October 29, 1987 through Ordinance No. 65977, which extended the term and conditions of the original agreement, plus the tract added by Amendment No. 1, until April 30, 2027; and

WHEREAS, on March 14, 2002, the City of San Antonio approved Ordinance No. 95440 that amended the original agreement to include a 1.93 acre tract of land that previously contained the caretaker's home that was demolished following a flood in October 1998, said amendment being known as Amendment No. 2; and

WHEREAS, the City of Alamo Heights has received a request to substantially upgrade the public swimming pool located on the property leased from the City of San Antonio in the Lease Contract; and

WHEREAS, the City of Alamo Heights is reluctant to expend a substantial sum of money for such upgrade unless the term of the Lease Contract is extended in order to amortize a substantial investment in the swimming pool.

NOW THEREFORE, for a good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the City of San Antonio and the City Alamo Heights agree that the above referenced lease shall be extended as follows:

1. The CITY OF SAN ANTONIO and CITY OF ALAMO HEIGHTS hereby renew and extend the Lease Contract entered into by them on April 24, 1947, as later amended, covering real property located in or near the Olmos Creek Basin, as described therein, with the property to be used exclusively for park, playground and recreational purposes, said Lease Contract approved on April 24, 1947 by San Antonio City Ordinance No. 4976, such Lease Contract, being recorded in Volume 2469, Page 319 of the Deed Records of Bexar County, Texas, and such Lease Contract having been amended by Ordinance No. 16773, dated December 13, 1951 (Amendment No. 1), which said 1951 Ordinance included a tract of land 200 feet by 275 feet that was previously excluded, and such Lease Contract having been amended by Ordinance No. 95440, dated March 14, 2002 (Amendment No. 2), which said 2002 Ordinance included a 1.93 acre tract of land that was previously excluded.

2. The undersigned parties agree that the term of the above described Lease Contract, as amended, by and between said parties, is hereby extended for a term commencing on the 1st day of March, 2018 and ending on

February 28, 2058. The City of San Antonio at its discretion may extend this lease agreement administratively for one 40 year extension to February 28, 2098.

3. The parties further agree that the CITY OF ALAMO HEIGHTS, TEXAS may continue to sublet or assign the leased premises, or any part thereof, or mortgage or encumber the leasehold interest; provided, however, that said property shall never be used for other than park, playground and recreational purposes, with the intent being that such use being exclusively for said purposes as originally set forth in paragraph 5 of said Lease Contract, as amended. Any liens or encumbrances, however, shall at all times be inferior to the interest of the CITY OF SAN ANTONIO in said property.

4. The CITY OF ALAMO HEIGHTS, TEXAS agrees to furnish the CITY OF SAN ANTONIO proof of insurance coverage in order to assure ability to indemnify the CITY OF SAN ANTONIO in accordance with the terms of paragraph 6 of the Lease Contract, the full terms of which paragraph are incorporated herein by such renewal and extension.

5. The parties agree that Exhibit "A" attached hereto shows the premises leased under said Lease Contract, as amended.

6. All said terms, conditions, covenants and provisions herein or as previously agreed to shall comply with all federal and state laws and city and county ordinances and regulations of said entities

7. All other terms, conditions, covenants and provisions of that certain Lease Contract approved by Ordinance No. 4976 on April 24, 1947 and amended by Ordinance No. 16773 on December 13, 1951, and Ordinance No. 95440 on March 14, 2002, are hereby renewed and extended.

Executed this _____ day of _____, 2018.

Landlord:
City of San Antonio:

Tenant:
City of Alamo Heights:

By: _____
Xavier Urrutia, Director
Parks and Recreation Department

By: _____
J. Mark Browne, City Manager

Date: _____

Date: _____

Approved as to Form:

Approved as to Form:

City Attorney

City Attorney

Attestation:

Attestation:

City Clerk

City Clerk

Attachments:
Exhibit A – Leased Premises