

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED  
ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.**

**ORDINANCE**

**AUTHORIZING AMENDMENT NO. 9 TO THE LEASE WITH  
OPERATING STANDARDS AGREEMENT WITH THE WITTE FOR ITS  
RETURN TO THE CITY OF PREVIOUSLY TRANSFERRED REAL  
PROPERTY INCLUDING THE MAYS FAMILY CENTER, THE FEIK  
FAMILY PAVILION, THE ADMISSIONS BUILDING, AND THE  
PARKING LOTS ASSOCIATED TO THOSE BUILDINGS.**

\* \* \* \* \*

**WHEREAS**, on September 8, 1997, the City of San Antonio (“the City”) and the Witte entered into a Lease with Operating Standards Agreement (“the Lease”) for use and operation of the Witte Museum as a vital educational and recreational asset for the benefit of the citizens of San Antonio; and

**WHEREAS**, on December 15, 2016, Amendment No. 6 transferred ownership interest of the Mays Family Center, the Feik Pavilion, and the Admissions Building, excluding the parking lot, which were funded by the Witte thus allowing the Witte to secure financing to cover increased construction costs. On April 16, 2020, Amendment No. 8 transferred ownership interest of the parking lot adjacent to the Mays Family Center, the Feik Pavilion, and the Admissions Building to allow for the Witte to refinance an existing construction loan; and

**WHEREAS**, in October 2020, the Witte requested assistance from the City with their existing \$15.7 million construction loan (“the Loan”) with Frost Bank because their operations as well as their ability to fundraise was dramatically impacted by COVID-19. The land and most of the buildings at the Witte were used as collateral for the Loan in which operating and fundraising revenues were the projected sources of repayment; and

**WHEREAS**, the City of San Antonio, Texas Combination Tax and Revenue Certificates of Obligation, Taxable Series 2021 (the “Certificates”) are being issued to provide funding for the Witte to pay off the Loan by providing consideration to the Witte for its return to the City of previously transferred real property. Under the Loan Funding Agreement, the Witte will be required to pay for all costs of financing (including semi-annual debt service) for the City issued debt and will also require that the debt be repaid in full before the Witte moves forward with any major future expansion; and

**WHEREAS**, Amendment No. 9 to the Lease will return the previously transferred real property including the Mays Family Center, the Feik Family Pavilion, the Admissions Building, and the parking lots associated with those buildings to the City; and

**WHEREAS**, The Lease amendment also includes the requirement for the City to have two seats on the Witte Board, of which one will be filled by appointment of the Mayor and one

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will be ex officio filled by the City Manager or his designee;

**WHEREAS**, Additionally, the Witte will continue to identify opportunities to assist other local art agencies in line with its current practices; **NOW THEREFORE:**

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

**SECTION 1.** The City Manager or designee, or the Director of the Parks and Recreation Department or designee, is authorized to execute Amendment No. 9 to the Lease with Operating Standards Agreement with the Witte Museum. A copy of the Lease Amendment in substantially final form, is attached hereto and incorporated herein for all purposes as **Attachment I**.

**SECTION 2.** Any costs pertaining to the proposed transaction will be paid for from the proceeds derived from the issuance and sale of the Certificates and the debt service will be paid from by the Witte Museum.

**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.

**SECTION 4.** This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

**PASSED AND APPROVED** this \_\_\_\_\_ **th day of April, 2021.**

**M A Y O R**  
Ron Nirenberg

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Tina J. Flores, City Clerk

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Andrew Segovia, City Attorney