

**ORDINANCE**

**APPROVING A MASTER ECONOMIC DEVELOPMENT AGREEMENT AND SALES CONTRACT WITH WESTON URBAN, LLC FOR THE SALE OF THE CONTINENTAL HOTEL PROPERTY LOCATED AT 322 W. COMMERCE IN COUNCIL DISTRICT 1.**

\* \* \* \* \*

**WHEREAS**, the Continental Hotel was constructed in 1896 as a hotel and has since undergone numerous interior and storefront alterations; in 1984, extensive renovations transformed the building’s interior into offices and lab space for the City’s Metropolitan Health District and the building has remained vacant since the Health District relocated in 2016;

**WHEREAS**, Planning Commission recommended that the Continental Hotel site be declared surplus on October 10, 2018;

**WHEREAS**, on September 11, 2019, City of San Antonio’s (“City”) Center City Development and Operations Department (“CCDO”) sought proposals for the sale of the Continental Hotel property located at 322 W. Commerce in Council District 1; and

**WHEREAS**, the Request for Proposal (“RFP”) was advertised in the San Antonio Express News and the TVSA channel, and an email notification was released to a list of potential respondents; additionally, the RFP was posted to the City’s bidding and contracting opportunities website; and

**WHEREAS**, the evaluation committee, by a consensus vote, recommended Weston Urban, LLC for award; the committee based its decision on several weighted factors, including purchase price, development experience, financial capacity and capability, project plan and timeline, economic value, the local preference program and the veteran-owned small business preference program; and

**WHEREAS**, Weston Urban, LLC owns the parcel immediately south of the subject property, which contains the historic Arana Building; acquisition of the Continental Hotel property would complete their ownership of the block bounded by Commerce, Laredo, Dolorosa, and San Pedro Creek, and would facilitate a comprehensive approach to mixed-use redevelopment; and

**WHEREAS**, Weston Urban proposes redevelopment of the Property as part of a mixed-use community that provides new residential housing and commercial space, blending the historic buildings on the site with added density in the middle of the block; and

**WHEREAS**, approximately 274 new residential units are proposed, with at least half reserved for households at 80% of the Area Median Income and is anticipated to be achieved through a partnership with a Public Facilities Corporation; and

**WHEREAS**, parking will be provided in a garage wrapped on three sides by the residential units and will include approximately 432 spaces, including 68 public spaces made available for City's daytime use at a market rate; and

**WHEREAS**, the project seeks incentives aligning with the adopted 2018 CCHIP policy, including City fee waivers valued at \$161,000, SAWS fee waivers not to exceed \$1 million, and a 15-year property tax rebate valued at approximately \$277,343, and would also qualify for an Infrastructure Grant valued at \$500,000, the terms being that the grant would require that the residential units remain affordable for 15 years or be paid back by the developer to the City; and

**WHEREAS**, the funding sources for the Infrastructure Grant and City fee waivers are the Houston Street TIRZ and Westside TIRZ, contingent upon approval of each respective TIRZ Board;

**NOW THEREFORE,**

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

**SECTION 1.** The City Manager and designee, severally, are authorized and directed to enter into an agreement, substantially in the form as shown in **Attachment I**, with Weston Urban, LLC to sell the City-owned property located at 322 W. Commerce, commonly known as the Continental Hotel, to Weston Urban, LLC for redevelopment. The City Manager or designee, severally, are authorized to take all additional actions reasonably necessary or convenient to effectuate the transaction, including executing and delivering all instruments and agreements conducive to effectuating the transaction.

**SECTION 2:** Funds generated by this ordinance will be deposited into Fund 29501000, Internal Order 219000000176, and General Ledger Account 4903100.

**SECTION 3:** The disposition of surplus property must be coordinated through the City's Finance Department to assure the removal of these assets out of the City's financial records and to record the proper accounting transactions.

**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 becomes effective 10 days after passage, unless it receives the eight votes requisite to immediate effectiveness under San Antonio Municipal Code § 1-15, in which case it becomes effective immediately.

**PASSED AND APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**M A Y O R**  
**Ron Nirenberg**

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Tina Flores, Acting City Clerk**

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**Andrew Segovia, City Attorney**

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