



City of San Antonio

Legislation Details (With Text)

File #: 15-4769

Type: Miscellaneous Item

In control: City Council A Session

On agenda: 9/17/2015

Title: An Ordinance consenting to a loan between Hemisfair Park Area Redevelopment Corporation (HPARC) and Broadway National Bank for the design and construction of temporary surface parking lots at South Alamo Street and Martinez Street; and authorizing Revenue Sharing Agreements with HPARC for these lots and parking lots on Cesar Chavez Blvd. [Lori Houston, Assistant City Manager and Acting Director, Center City Development & Operations].

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit 1 - Map, 2. Exhibit 2 - Parking Rate Sheet, 3. Exhibit 3 - Loan Term Sheet, 4. Draft Ordinance (updated 9/11), 5. Ordinance 2015-09-17-0805

| Date | Ver. | Action By | Action | Result |
|-----------|------|------------------------|---------|--------|
| 9/17/2015 | 1 | City Council A Session | adopted | Pass |

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: Lori Houston

COUNCIL DISTRICTS IMPACTED: City Council District 1

SUBJECT:

Hemisfair Parking

SUMMARY:

An ordinance allowing Hemisfair Park Area Redevelopment Corporation (HPARC) to use and privately finance construction of temporary surface parking lots at South Alamo Street and Martinez Street, and approval of Revenue Sharing Agreements for these parking lots and others located on Cesar Chavez Blvd.

BACKGROUND INFORMATION:

Hemisfair Park Area Redevelopment Corporation (HPARC) was established in 2009 to manage and oversee the redevelopment and management of Hemisfair. The Hemisfair Master Plan, approved by City Council in February 2012, contemplates the development of 18.5 acres of parkland surrounded by vibrant mixed-use

structures. The public has consistently requested accessible and affordable parking at the public forums held as part of the master planning process. While the Master Plan suggests that parking should be achieved through structured garages and street side spaces, the pending opening of Yanaguana Garden requires immediate parking options.

Yanaguana Garden is set to celebrate its grand opening on October 2, 2015 and will remain open as a free public park for residents and visitors to enjoy. Construction of a structured parking garage is currently in negotiations and is estimated to be completed in 2017. In the meantime, HPARC proposes two locations to construct temporary parking lots to be operated by the City: (1) South Alamo Street, just north of Magik Theater; and (2) Martinez Street between South Alamo and S. Presa Streets as shown on Exhibit 1. Together, these lots would provide approximately 120 public parking spaces. Daytime hourly, after hour and weekend flat rates will be consistent with other City lots, as detailed in Exhibit 2. These parking locations will also honor City programs such as Downtown Tuesday.

HPARC and the Center City Development & Operations Department (CCDO) Parking Division will partner to provide operational support to include technology solutions for paid parking. Based on current assumptions, HPARC would finance construction costs including drainage, pavement, lighting, landscaping, signage, and striping through a loan with Broadway Bank. Parking revenues would pay for HPARC's debt service, taxes, and the City's cost for technology, operations, and general maintenance and upkeep of the lots. The City's costs have been established as 10% of gross revenues after taxes. This arrangement is detailed in a Revenue Sharing Agreement with HPARC. Any additional revenues will help fund operations, maintenance, development, administration, and activation of the parks in Hemisfair. HPARC is a non-profit 501c3 and all revenues are reinvested into Hemisfair to create a financially sustainable organization.

In addition, CCDO will partner with HPARC to collect parking revenues at other lots in the vicinity during HPARC-sponsored special events. Through a separate Revenue Sharing Agreement, the City will retain 50% of gross revenues after taxes and expenses and pay HPARC the balance. The first lot utilizing this arrangement will be the GSA Lot, located at 700 E. Cesar Chavez Blvd. The lot provides approximately 350 spaces. Parking revenues collected at this lot, and other lots in the vicinity, will follow this revenue sharing arrangement.

ISSUE:

According to HPARC's Articles of Incorporation, City Council must approve any of the Corporation's loans. HPARC intends to repay the loan for the construction of these temporary parking lots from parking revenues and estimates to pay the loan within five years. No property owned by the City or leased to HPARC will be used as collateral. City Council approval is required for the Revenue Sharing Agreements for the temporary parking lots and existing lots on Cesar Chavez Blvd.

ALTERNATIVES:

City Council can elect not to approve the construction of temporary surface parking lots or the Revenue Sharing Agreement for operation of these temporary lots or existing lots on Cesar Chavez Blvd. HPARC would need to develop alternative options for temporary parking for Yanaguana Garden visitors.

FISCAL IMPACT:

HPARC will finance construction costs for the temporary parking lots, including drainage, pavement, lighting, landscaping, signage, and striping through a loan of up to \$574,959.00 with Broadway Bank. A Loan Term Sheet is attached as Exhibit 3. Parking revenues will pay for HPARC's debt service, taxes, and costs of technology, operations, general maintenance, and upkeep of the lots. The City will receive 10% of gross revenues after taxes in order to recover costs associated with operations and general maintenance of the lots. Funds from the Revenue Sharing Agreement, estimated at \$150,000.00 per year, will be deposited in the Parking Enterprise Fund.

During HPARC-sponsored special events, the City is expected to share with HPARC 50% of parking revenues after sales tax from the GSA lot and other lots on Cesar Chavez Blvd. through a separate Revenue Sharing Agreement. For the GSA lot, revenue to the City is estimated at \$12,000.00 per year and will be deposited in the Parking Enterprise Fund.

RECOMMENDATION:

Staff recommends approval of HPARC's bank financing for the design and construction of temporary parking lots at S. Alamo Street north of Magik Theater and at Martinez Street, between South Alamo and S. Presa Streets; and Revenue Sharing Agreements for these parking lots, the GSA parking lot, and other lots on Cesar Chavez Blvd.