



City of San Antonio

Agenda Memorandum

File Number: 14-3065

Agenda Item Number: 11.

Agenda Date: 1/29/2015

In Control: City Council A Session

DEPARTMENT: Parks and Recreation

DEPARTMENT HEAD: Xavier D. Urrutia

COUNCIL DISTRICTS IMPACTED: Council District 2

SUBJECT:

Sublease Agreement and Amendment No. 5 to the Lease Agreement with the Witte Museum

SUMMARY:

This ordinance authorizes a Sublease Agreement with the San Antonio Museum Association d/b/a The Witte Museum (Witte) for a portion of property owned by the Witte for use as a central plant providing heating and cooling services to the Witte campus and approving Amendment No. 5 to the City's Master Lease Agreement.

BACKGROUND INFORMATION:

The Witte is a non-profit organization whose mission is to promote lifelong learning through innovative exhibitions, programs and collections in natural history, science and South Texas heritage. The museum, which first opened in 1923, has an average of 350,000 visitors annually including approximately 150,000 school aged children.

The established Witte Master Plan includes expansion in three main phases: 1) South Texas Heritage Center and the Witte Research Center; 2) the new Witte; and 3) World of Water. Phase I is complete, and Phase II, the new Witte, is currently under construction and includes renovations and additions to the existing City-owned facility leased to the Witte through 2062, which serves as the main building with gallery space. To facilitate the vision of the Master Plan including renovations and upgrades to the main building, the Witte will consolidate its physical utilities plant on a portion of land privately-owned by the Witte Title Co. adjacent to the City's property. This will provide heating and cooling services to the main Witte campus including the South Texas Heritage Center. In order to maintain the City's interest in heating and cooling services to the publicly owned

museum space, the Witte will sublease the central plant to the City to coincide with its City Master Lease Agreement.

ISSUE:

This ordinance authorizes a Sublease Agreement with the Witte for a portion of property owned by the Witte for use as a central plant providing heating and cooling services to the Witte campus and approving Amendment No. 5 to the Lease Agreement. As the central plant for such services is located on private land, these actions are necessary to secure the City's interest in heating and cooling services to the City owned property at the Witte.

ALTERNATIVES:

The City could elect not to approve the Sublease Agreement and Lease Amendment which collectively would secure the City's interest in heating and cooling services to City-owned property at the Witte Campus and require the Witte to consider other location alternatives for its central plant. However, such alternatives identified to date are cost prohibitive, do not aesthetically fit with the new Witte design plans, and would need to be acceptable to the Witte and its donors.

FISCAL IMPACT:

This action has no General Fund impact. Terms of the Sublease Agreement and Amendment No. 5 to the City Master Lease Agreement requires the Witte bear full responsibility for construction and operation of all central plant costs.

RECOMMENDATION:

Staff recommends approval of the Sublease Agreement and Amendment No. 5 to the City Master Lease Agreement with the Witte.

The Discretionary Contracts Disclosure Form required by the Ethics ordinance is attached.