



# City of San Antonio

## Legislation Details (With Text)

**File #:** 20-4338

**Type:** Real Property Lease

**In control:** City Council A Session

**On agenda:** 8/20/2020

**Title:** Ordinance approving an amendment to an existing lease with the San Antonio Parks Foundation for a period of five years for the continued occupancy of 1,119 square feet of office space in the St. Mary's Street Parking Garage at 400 N. St. Mary's Street in Council District 1. Revenues generated from this lease will be deposited in the Parking Operating and Maintenance Fund. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development and Operations]

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Map, 2. Contracts Disclosure Form, 3. Agreement, 4. Ordinance 2020-08-20-0551

Date	Ver.	Action By	Action	Result
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**DEPARTMENT:** Center City Development & Operations

**DEPARTMENT HEAD:** John Jacks

**COUNCIL DISTRICTS IMPACTED:** 1

**SUBJECT:**

San Antonio Parks Foundation Lease Extension

**SUMMARY:**

This ordinance authorizes an extension for an existing lease with the San Antonio Parks Foundation (SAPF) for a period of five years ending January 31, 2025 for the continued occupancy of 1,119 square feet of office space in the St. Mary's Street Parking Garage at 400 N. St. Mary's Street.

**BACKGROUND INFORMATION:**

The mission of the non-profit SAPF is to provide enhancements to the City of San Antonio's park systems with the goal of improving the quality of life for all citizens. Each year, the SAPF organizes free events including the July 4<sup>th</sup> celebration at Woodlawn Lake, Jazz'SAlive at Travis Park, and Celebrate San Antonio New Year's

Eve event at HemisFair Park which help raise funds for the park systems.

Since 2014, SAPF staff have been located in street level space at the St. Mary's Garage building. SAPF pays \$4,252.20 annually to cover the cost of utilities. Terms of the existing agreement also assess a fair market rent for the location but allow that in lieu of a rent payment, SAPF is given credit towards the rent for projects they undertake during the course of the lease term to improve and enhance existing parks in the downtown area. During the previous five years SAPF has documented improvements to several parks including Travis Park, Milam Park and Maverick Park resulting in any rent due being forgiven. On an annual basis SAPF will present to the Department of Parks and Recreation a list of proposed improvements to specific parks, then upon completion of those improvements City staff work with SAPF to document the investment and apply a credit toward any rent due.

### **ISSUE:**

The San Antonio Parks Foundation has an option to extend their current lease for five additional years and the option requires Council approval.

### **ALTERNATIVES:**

The City could elect to work with SAPF to seek other space conducive to their operations. However, both the Foundation and the City agree that extending the current lease is the most prudent course of action.

### **FISCAL IMPACT:**

This lease requires SAPF to pay a fee equal to their cost of occupancy into the Parking Fund which increases over time starting at \$4,252.20 annually during the first year of the extension term and increasing to \$5,168.64 annually during the fifth and final year of the extended term. Additionally, SAPF is obligated to pay fair market rent for the occupied space, which can be forgiven in the event SAPF successfully completes City approved improvements to specific parks. The chart below details the various aspects of the lease agreement.

	Terms During the Extended Term
Occupancy	1,119 SF
Term Extension	Ends January 31, 2025
Minimum Rent During Term	\$23,496.24 over five years
Forgivable Rent Subject to Credit	\$117,215.25 over five years

The lease also provides for the use of four parking spaces for which SAPF pays fair market rate, currently \$100 monthly per parking space. All revenues collected from this lease will be deposited into the Parking Operating and Maintenance Fund.

### **RECOMMENDATION:**

Staff recommends approval of an agreement to extend an existing lease for a period of five years ending

January 31, 2025 with the San Antonio Parks Foundation for 1,119 square feet of street level office space in the St. Mary's Street Parking Garage.