



City of San Antonio

Agenda Memorandum

File Number:16-2904

Agenda Item Number: 11.

Agenda Date: 5/5/2016

In Control: City Council A Session

DEPARTMENT: Center City Development and Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

Reaffirming the funding commitment to the Tobin Center parking facility

SUMMARY:

This ordinance reaffirms an amendment to the Grant and Development Agreement between the City of San Antonio, Bexar County, and The Bexar County Performing Arts Center Foundation to provide a contribution from the City and the County of up to \$5 million each toward construction of a parking facility to serve the Tobin Performing Arts Center.

BACKGROUND INFORMATION:

On August 21, 2014, City Council approved an amendment to the Grant and Development Agreement between the City of San Antonio, Bexar County, and The Bexar County Performing Arts Center Foundation first approved by City Council in June 2008. The amendment provided a framework for a contribution from the City and the County of up to \$5 million each toward construction of a public parking facility to serve the Tobin Center for the Performing Arts. The amended agreement identified 5 conditions that must be met before the City and the County would fund their contributions consisting of the following: (1) the Foundation establishes a design review committee that includes representation from the City, County, Foundation, and First Baptist Church; (2) first floor retail is incorporated into the construction of the parking facility; (3) the Foundation operates the garage and funds its continued operation and maintenance; (4) the City and County will also retain an ownership interest in the garage; and (5) the Foundation will fund all costs above the \$10 million contribution by the City and County.

Since August 2014, the Foundation has substantially completed the design and obtained financing for the construction of the parking garage, estimated to cost \$16.2 million. The garage will be located on the corner of Lexington Avenue and Taylor Street on property owned by First Baptist Church and includes 543 parking spaces and 12,000 square feet of multi-purpose space. On March 30, 2016, the Foundation sent a letter to the City and the County confirming they met the 5 conditions:

- (1) The Design and Review Committee was established and met several times over the past year. The design complements the architecture of the First Baptist Church and the Tobin Center. It also provides for outdoor seating to support retail and a pedestrian path to the Tobin Center. The Historic and Design Review Committee approved the design February 3, 2016.
- (2) The garage will have approximately 12,000 square feet of rentable space. The First Baptist Church will lease 8,000 square feet for assembly space and their catering kitchen. The remaining 4,000 square feet will be marketed for restaurant retail. An additional 1,500 square feet of outdoor patio space will be made available to the tenant. In the event a restaurant tenant is not secured, the space will be made available to a resident artist or another artist organization.
- (3) The Foundation will operate and maintain the garage.
- (4) The Foundation is open to an ownership structure that satisfies the requirement of the City and County's funding.
- (5) The Foundation has obtained financing from The Bank of San Antonio for the project costs above the City and County's \$10 million contribution.

ISSUE:

Although the Tobin Center has been open since September 4, 2015, day-time parking remains an issue because the surrounding surface parking lots and facilities are used during the day by office tenants and other surface lots that service Tobin Center patrons are now being developed into higher and better uses. The new parking facility will provide parking to day-time patrons of the Tobin Center as well as transient parking for the northern portion of downtown where the current parking supply will not be sufficient to meet future demand. City Council approved the amendment to the Grant and Development Agreement to provide partial funding for the parking facility on August 21, 2014, but due to the 21 month time lapse staff is requesting that City Council reaffirm the funding commitment to the Foundation.

ALTERNATIVES:

The City may elect not to reaffirm their funding contribution towards the construction of a parking facility for the Tobin Performing Arts Center. This action would negatively impact the Tobin Center's ability to market the venue for day-time events and programs.

FISCAL IMPACT:

The City will contribute up to \$5 million toward the construction of this parking facility utilizing revenue in the Parking Repair and Replacement Fund. Bexar County has also agreed to provide up to \$5 million toward construction of the parking garage. Commissioner's Court will take action on the funding agreement at the May 3, 2016 Commissioner's Court meeting.

RECOMMENDATION:

Staff recommends that City Council reaffirm its support of the Third Amendment to the Grant and Development Agreement between the City of San Antonio, Bexar County and the Bexar County Performing Arts Center Foundation, and appropriating up to \$5 million for construction of a parking facility to serve the

parking needs of the Tobin Center for the Performing Arts center and the downtown area.