



# City of San Antonio

## Agenda Memorandum

**File Number:** 17-4446

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**Agenda Item Number:** 20.

**Agenda Date:** 8/17/2017

**In Control:** City Council A Session

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**DEPARTMENT:** Parks and Recreation

**DEPARTMENT HEAD:** Xavier D. Urrutia

**COUNCIL DISTRICTS IMPACTED:** District 2

### **SUBJECT:**

Execution of an Amendment to the License and Lease Agreement with the San Antonio Botanical Garden Society, Inc., related to Phase II of the Master Plan for the San Antonio Botanical Garden.

### **SUMMARY:**

This ordinance authorizes execution of an Amendment to the License and Lease Agreement with the San Antonio Botanical Garden Society, Inc., for purposes of securing New Market Tax Credits financing for Phase II of the Master Plan for the San Antonio Botanical Garden, located in City Council District 2, and approving related documents.

### **BACKGROUND INFORMATION:**

Chartered in 1980, the San Antonio Botanical Garden Society, Inc. (SABGS) is a non-profit organization specifically established in support of the San Antonio Botanical Garden (the Garden) located adjacent to Mahncke Park. The City and SABGS have operated the Garden since 1981 and have detailed plans to transition the operation and management of the Garden to SABGS through a License and Lease Agreement. Through a public/private partnership with the City, the SABGS has completed major capital improvements at the Garden to include the Lucile Halsell Conservatory, the Sullivan Carriage House, the Auld House, revitalization of the Texas Native Trail, and acquired neighboring properties. SABGS successfully completed fundraising for Phase I of the Master Plan which will open in the Fall of 2017 featuring new spaces such as a welcome building, discovery center with classrooms and an interpretive center, culinary garden, Family Adventure Garden, gift shop, display garden, gathering spaces and parking.

SABGS is requesting an Amendment to their License and Lease Agreement to facilitate New Market Tax Credits financing associated with completion of Phase II of their Master Plan. The projected cost for Phase II is \$16.5M which underscores the Garden's commitment to education, horticulture, community, culture, recreation, and conservation, to maximize the Garden's impact to the community. Through this action, the License and Lease Agreement may not be terminated or modified without the consent of the New Market Tax Credits lender. The City will not be obligated for any costs associated with these actions or the New Market Tax Credits Program financing.

#### **ISSUE:**

This Ordinance will authorize an Amendment to the License and Lease Agreement with SABGS. This action is necessary for SABGS to qualify for New Market Tax Credits financing which will be utilized to complete construction of Phase II of the San Antonio Botanical Garden Master Plan. The City has approved similar actions related to New Market Tax Credits financing for the Witte Museum, Briscoe Art Museum, Haven for Hope and the Boys and Girls Clubs of Greater San Antonio.

#### **ALTERNATIVES:**

The City could decline to take these actions and SABGS would need to identify alternate funding sources to complete Phase II of their Master Plan.

#### **FISCAL IMPACT:**

There is no General Fund impact associated with this action. All other terms of the current License and Lease Agreement will remain unchanged.

#### **RECOMMENDATION:**

Staff recommends approval to execute an Amendment to the License and Lease Agreement with SABGS, and related documents.