



# City of San Antonio

## Agenda Memorandum

**File Number:**17-6365

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**Agenda Item Number:** 2.

**Agenda Date:** 11/21/2017

**In Control:** Arts, Culture and Heritage Committee

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**DEPARTMENT:** City Manager's Office

**DEPARTMENT HEAD:** Lori Houston, Assistant City Manager

**COUNCIL DISTRICTS IMPACTED:** Council District 1

**SUBJECT:** Culinary Concept and Program Plan for Mayor Maury Maverick Plaza, La Villita

### SUMMARY:

A briefing and possible action on a culinary concept and program plan for Mayor Maury Maverick Plaza, La Villita.

### BACKGROUND INFORMATION:

Maverick Plaza is located inside historic La Villita and serves as its main entrance. The plaza is used solely for weddings, receptions, private parties, corporate functions and festivals.

In February 2016, the City issued a Request for Interest (RFI) to solicit a developer and operator(s) for culinary concepts in 3 buildings in Maverick Plaza and programming concepts for Maverick Plaza. The City received 2 proposals and the evaluation committee recommended Chef Johnny Hernandez. The Neighborhoods and Livability Council Committee was briefed on the proposal at their October 2016 Council Committee. They endorsed staff's recommendation to proceed with due diligence, site planning, and a development agreement. Over the past year, the City has worked with Chef Johnny Hernandez and his partners to develop a design concept and program plan for Maverick Plaza.

### Culinary and Programming Concept

Chef Johnny Hernandez will construct 3 restaurants in Maverick Plaza for a total investment of \$7.6 million. The three restaurants will create approximately 210 jobs and include:

- New construction of a building in the southeast corner of Maverick Plaza for use as a Mexican restaurant to be operated by Chef Johnny Hernandez to seat approximately 150 indoors and 56 outdoors;

- In partnership with Chef Steve McHugh, rehabilitation of the Gissi House at 250 King Philip and an addition for use as a German Brewery and Beer Garden restaurant to seat approximately 132 indoors and 94 outdoors; and
- In partnership with Chef Elizabeth Johnson, rehabilitation of the Faville House at 150 Villita Street and an addition for use as a Native Texas/Spanish Heritage restaurant to seat approximately 74 indoors and 202 outdoors.

In addition to the development of the 3 restaurants, Chef Johnny Hernandez proposed a robust programming plan for Maverick Plaza and identified Centro San Antonio as their programming partner. Centro will provide maintenance and programming services, and will engage the local community and work with Chef Johnny Hernandez to develop a programming plan that delivers an authentic San Antonio experience for the public. Maverick Plaza will still be available to the public to use for special events and the City and/or its partners will continue to program Maverick Plaza in coordination with Chef Johnny Hernandez and Centro San Antonio.

The City will complete public improvements in and around Maverick Plaza to facilitate construction of three new restaurants and support the necessary activation for the Plaza. The total cost for the public improvements is approximately \$4.4 million and they include:

- Demolition of non-historic restroom and concession facilities;
- Construction of outdoor demonstration kitchen and kiosks;
- Repaving of King Philip, Villita, Old Alamo Streets, and Maverick Plaza;
- Nueva Street improvements and addition of metered parking; and
- New utilities in Maverick Plaza.

Upon City Council approval, the parties will initiate design. The project design and construction will be coordinated with the South Alamo Complete Streets project and will also be reviewed by HDRC. The total project is to be complete by fall 2021.

On October 31, 2017, San Antonio joined the UNESCO Creative Cities Network as a City of Gastronomy. Cities in the network have identified creativity as a strategic factor for sustainable urban development. The designation recognizes authentic cultural experiences like those that will be created with the new restaurants and programming that celebrate San Antonio's culinary heritage. This will draw additional audiences to La Villita.

## **ISSUE:**

Staff is requesting approval to proceed to City Council on December 14th for consideration of a Master Development Agreement.

The Master Development Agreement will:

- Facilitate \$7.6 million of private investment for 3 restaurants in Maverick Plaza and \$4.4 million in public infrastructure to be funded by the Inner City TIRZ and constructed by the City in coordination with the South Alamo Complete Streets Project.
- Lease the ground to Chef Johnny Hernandez for the construction of the 3 restaurants for a \$100k annual contribution to the programming and maintenance of Maverick Plaza.

A Programming Agreement between the City, Chef Johnny Hernandez, and Centro San Antonio will outline a partnership and roles and responsibilities for the programming and maintenance of Maverick Plaza to include City funding in the amount not to exceed \$100k annually for programming in Maverick Plaza. Centro San Antonio will also contribute \$100k annually. The remaining funding for programming and maintenance will

come from the La Villita Preservation Fund, sponsorships, and lease revenue.

**ALTERNATIVES:**

The City could continue to operate La Villita and Maverick Plaza as it currently operates.

**FISCAL IMPACT:**

The City's commitment for site work and utilities is \$4,400,000. The City's commitment for maintenance and programming is \$600,000. Funding for the capital improvements and programming is available in the Inner City TIRZ. Staff will present the item to the TIRZ Board for their consideration at the December 8, 2017 Board Meeting.

**RECOMMENDATIONS:**

Staff recommends Committee approval to proceed to City Council on December 14th for consideration of a Master Development Agreement between the City and Chef Johnny Hernandez for the redevelopment of Maverick Plaza.