



City of San Antonio

Agenda Memorandum

File Number:19-2962

Agenda Item Number: 22.

Agenda Date: 6/13/2019

In Control: City Council A Session

DEPARTMENT: Center City Development and Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

Property Exchange for CPS Energy Headquarters

SUMMARY:

An ordinance authorizing a property exchange of approximately 0.1254 acres or 5,461 square feet between the City of San Antonio and CPS Energy, for tracts of land of equal value, to facilitate the historical use and maintenance allocation necessary for the new CPS Headquarters in Council District 1. This ordinance action will have no fiscal impact to the General Fund.

BACKGROUND INFORMATION:

CPS Energy has acquired the former AT&T, McCullough Building near McCullough, Brooklyn Avenue, Avenue B, and the San Antonio River which will serve as a single headquarters site for the San Antonio Public Utility. When completed the 494,000 square foot new energy efficient two-tower headquarters and 1220 space parking garage will consolidate more than 3,100 employees from various facilities across the City alongside the San Antonio River.

Consolidation of the work force leads to improved efficiency and productivity, including vehicle cost reductions by reducing travel between sites. Project space in the building will provide sites for more teams to support the introduction of new technologies and product offerings. This more modern facility will also enable CPS Energy to attract and retain talent in a competitive work environment. The first floor will have public access areas featuring an auditorium, Board Boom, employee meeting rooms, interactive vendors, and food service areas.

The building renovation will also significantly improve energy efficiency of the facility, using LED lighting, high reflectivity roof, greater use of natural lighting, and reduced energy consumption. Energy savings of up to 60% compared to the buildings being replaced, and use of new designs for building systems will reduce CPS Energy's overall operating costs. CPS Energy is working with both the US Green Building Council for LEED certification, and with Build San Antonio Green for their energy efficiency certification. CPS also plans to add a solar array on the roof of the garage, a rainwater capture system, and electric vehicle charging facilities within the garage.

The McCullough property and garage will be ready for occupancy next year and the personnel being relocated from the existing Downtown Campus and Northside Customer Service Center will be in place by late Fall 2020.

ISSUE:

Currently, 5,461 square feet of City property abuts McCullough Avenue but is not located in the adjacent roadway. This area will serve as an entryway into the new CPS Headquarters. It has been curbed and landscaped for decades as the entry way for the McCullough towers, which was constructed by Valero and occupied by AT&T. The area has been maintained by the owners of the property and not part of the streetscape.

CPS proposes providing the City with a total 5,461 square feet of CPS owned property along three tracts that are improved and used as part of the Museum Reach river improvements, which are being maintained by the San Antonio River Authority and the City. This area includes improvements such as staircases, sidewalks, retaining walls, and green space. The property exchange will rectify these discrepancies and align ownership with the actual operation, maintenance, and control of these tracts.

The proposed property exchanges will realign the boundaries to support access, improve operations and drive efficient use of the property. It will also create more clarity of ownership and mutually benefit all parties.

ALTERNATIVES:

City Council could choose not to approve this ordinance; however, this could impact the scheduling of improvements needed to complete the new CPS Headquarters.

FISCAL IMPACT:

An ordinance authorizing a property exchange of approximately 0.1254 acres or 5,461 square feet between the City of San Antonio and CPS Energy, for tracts of land of equal value, to facilitate the historical use and maintenance allocation necessary for the new CPS Headquarters in Council District 1. The property being exchanged is of equal size and value.

This ordinance action will have no fiscal impact to the General Fund.

RECOMMENDATION:

Staff recommends approving an ordinance authorizing a property exchange of approximately 0.1254 acres or

5,461 square feet between the City of San Antonio and CPS Energy, for tracts of land of equal value, to facilitate the historical use and maintenance allocation necessary for the new CPS Headquarters in Council District 1.