



City of San Antonio

Agenda Memorandum

File Number:14-1330

Agenda Item Number: 20.

Agenda Date: 6/19/2014

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: Lori Houston

COUNCIL DISTRICTS IMPACTED: 2

SUBJECT:

Alamo City Chamber of Commerce

SUMMARY:

This ordinance authorizes an Economic Development Agreement between the City of San Antonio, East Commerce Realty LLC (East Commerce Realty), and Alamo City Chamber of Commerce (ACCC) for restoration and finish out improvements to 126 Gonzales in St. Paul Square. The grant will facilitate the relocation of the Alamo City Chamber of Commerce from HemisFair Park to St. Paul Square.

BACKGROUND INFORMATION:

On March 25, 1999, City Council approved Ordinance 89464, which authorized a lease agreement with the Alamo City Chamber of Commerce to occupy Building 406 in HemisFair Park. In 2008, ACCC relocated to building 204 in HemisFair Park as a result of the redevelopment of HemisFair. In exchange for \$100.00 monthly rent, the ACCC has been responsible for all maintenance, repairs, and utilities. Their current lease is a month to month lease with 30 days notice to cancel. As a result of upcoming playground construction in the southwest quadrant of HemisFair Park by the HemisFair Park Area Redevelopment (HPARC), ACCC must vacate Building 204 by August 1, 2014.

In order to accommodate ACCC and maintain its presence in the center city, the Center City Development & Operations Department has been working with ACCC on identifying a location and a building that can accommodate their current needs and expected growth. All parties have agreed that 126 Gonzales is the preferred location. 126 Gonzales is located in St. Paul Square and is owned by East Commerce Realty. The building has been vacant since 2010, used primarily for storage and on rare occasion special events, and

requires restoration and finish out improvements. The building is 7,022 square feet and includes 3 floors and a basement. ACCC will occupy approximately 1,785 square feet on the 2nd floor and approximately 60 square feet in the 1st floor lobby. The City will undertake up to \$100,000.00 in restoration and finish out improvements for the building. In exchange, East Commerce Realty will provide ACCC rent at \$100 per month for a three-year term with two 1-year renewals. However, the renewals will be at market rate. Additionally, East Commerce Realty will provide ACCC the right of first refusal on the 3rd floor space. In exchange for assisting in the relocation, ACCC will provide the City of San Antonio the following on an annual basis for 3 years:

- Membership in the Chamber at the corporate business level;
- 2 Scholarships for the ACCC's EPIC leadership program;
- Semi-annual vendor registration events co-hosted with the City's Economic Development Department;
- A table for the Center City Development and Operations Department at the annual Founders Gala; and
- Admission for a City team in the Business Builders Golf Tournament.

ISSUE:

The Alamo City Chamber of Commerce is seeking alternate lease space due to the need to relocate from Building 206 in HemisFair Park because of upcoming playground construction by HPARC.

ALTERNATIVES:

The City may elect not to assist in the relocation of the ACCC, requiring them to seek alternate headquarters for office space.

FISCAL IMPACT:

The finish out grant from the City to the East Commerce Realty in the amount of \$100,000.00 will be funded from the Inner City Incentive Fund (ICIF).

RECOMMENDATION:

Staff recommends approval of the Economic Development Agreement between the City of San Antonio, East Commerce Realty, and Alamo City Chamber of Commerce for restoration and finish out improvements to 126 Gonzales in St. Paul Square.