



City of San Antonio

Agenda Memorandum

File Number:20-2313

Agenda Item Number: 7.

Agenda Date: 9/3/2020

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations Department

DEPARTMENT HEAD: Lori Houston

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

Instituto Cultural de México Lease

SUMMARY:

This ordinance approves a five-year agreement with the Instituto Cultural de México for lease of 16,667 square feet located in Hemisfair effective March 1, 2021 through February 28, 2026.

BACKGROUND INFORMATION:

The Instituto Cultural de México (ICM) located in Hemisfair, is the oldest Mexican Cultural Institute in the United States. Since 1968, the ICM has played an important role in the cultural life of the City of San Antonio and its residents through its programming. The ICM serves to promote cultural exchanges between Mexico and the United States through art exhibitions, theater performances, and educational classes in Hemisfair.

The building currently leased to the ICM was built in 1968 and housed the Mexico Pavilion for Hemisfair '68. The ICM's lease will expire on February 28, 2021. This ordinance will approve a five-year lease, to permit the ICM continued use of the premises effective March 1, 2021 through February 28, 2026. The lease also includes one five-year renewal option. The ICM will pay an annual lease fee of \$1.00. In return for the nominal fee, the ICM is responsible for all interior maintenance and repair and all utilities. Additionally, the ICM is responsible for maintenance of the outside areas immediately adjoining the premises, including adjacent sidewalks.

The Hemisfair Park Area Redevelopment Corporation supports the lease.

ISSUE:

Approval of this ordinance is consistent with the City's policy of leasing City-owned property within Hemisfair in support of cultural and economic development.

ALTERNATIVES:

The City may elect not to approve the lease, which would result in the ICM's tenancy becoming month-to-month at a fair market rental rate or terminating.

FISCAL IMPACT:

The ICM will pay an annual lease fee of \$1.00 during the term of the lease. Revenue from this lease will be deposited in the General Fund.

RECOMMENDATION:

Staff recommends approval of the five-year lease with the Instituto Cultural de Mexico for 16,667 square feet located in Hemisfair effective March 1, 2021 through February 28, 2026.