



City of San Antonio

Agenda Memorandum

File Number:15-2508

Agenda Item Number: 12B.

Agenda Date: 4/16/2015

In Control: City Council A Session

DEPARTMENT: Transportation & Capital Improvements

DEPARTMENT HEAD: Mike Frisbie, P.E.

COUNCIL DISTRICTS IMPACTED: Council District 3

SUBJECT: Greater Mission Recreational Facility

SUMMARY:

Consideration of the following items related to the Greater Mission Recreational Facility, a 2012-2017 Bond funded project, located in Council District 3:

- A. An ordinance authorizing the execution of a Funding Agreement with The YMCA of Greater San Antonio in an amount not to exceed \$2,500,000.00 for the design and construction of a 15,000 square foot or larger recreational facility, located in Council District 3.
- B. An ordinance authorizing the execution of a 50 year ground lease for \$1.00 per year with The YMCA of Greater San Antonio for a 15,000 square foot recreational facility for a parcel located at 3100 Roosevelt Avenue, the former Mission Drive-In.

BACKGROUND INFORMATION:

In May 2012, voters approved the 2012-2017 Bond Program, consisting of five propositions totaling \$596 million. The Bond Program funds will be used on various capital improvement projects to address community infrastructure needs and improve the overall quality of life in San Antonio. As part of that program, \$2.5 million in Parks, Recreation, and Open Space Improvements General Obligation funds were approved for the development of the Greater Mission Recreational Facility. Project design is anticipated to begin upon execution of the Funding Agreement and construction is expected to be completed by December 2016.

Since opening the first YMCA in San Antonio in 1907, YMCA has grown and expanded in the greater San Antonio area. Today there are ten facilities, three early learning centers, and after school programs in seven

school districts. YMCA has committed to matching the City's funds for the 15,000 square foot facility. The amenities planned for this facility include a community room/wellness kitchen, a multi-generation center, wellness center, two fitness studios, and locker rooms. Design start is anticipated to begin upon approval of this agreement and estimated to be completed in August 2015. Construction start is anticipated to begin September 2015 and estimated to be completed in December 2016.

The proposed ground lease would be executed for a term of 50 years. The YMCA expressed interest in owning the property to leverage donations and financing, however the City would like to maintain ownership of the parcel in which the YMCA will build the Greater Mission Recreational Facility due to the Mission area's pending consideration as a World Heritage Site. The YMCA and the City compromised and negotiated a long term lease of 50 years. The City has executed other 50 year leases to include the Calderon Branch Boys and Girls Clubs of San Antonio; Sports Outdoor and Recreation Fields Branch; the Witte Museum; Tuesday Musical Club; and the Las Palmas YMCA.

The Funding Agreement with the YMCA will be executed in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract in an effort to maximize the amount of small, minority, and women-owned business participation on the contract. The Goal Setting Committee set a 26% certified Small Business Enterprise (SBE) subcontracting goal, 18% Minority/Women Business Enterprise (M/WBE) subcontracting goal and 1% African American Business Enterprise (AABE) subcontracting goal. The YMCA has committed to meeting these goals.

ISSUE:

This item requests the following actions related to the Greater Mission Recreational Facility, a 2012-2017 Bond funded project, located in Council District 3:

- A. An ordinance authorizing the execution of a Funding Agreement with The YMCA of Greater San Antonio in an amount not to exceed \$2,500,000.00 for the design and construction of the 15,000 square foot or larger recreational facility, located in Council District 3.

Under the terms of the agreement, the YMCA will design and construct a 15,000 square foot or larger recreational facility that includes a community room/wellness kitchen, a multi-generation center, wellness center, two fitness studios, and locker rooms. Construction is expected to begin in September 2015 and be completed by December 2016.

- B. An ordinance authorizing the execution of a 50 year ground lease for \$1.00 per year with The YMCA of Greater San Antonio for parcel located at 3100 Roosevelt Avenue, the former Mission Drive-In.

In order to provide funding needed for non-City owned facilities as approved by the voters in the 2012-2017 Bond Program, the City is required to have a long-term interest in the property. Therefore, a ground lease is being proposed as the means to fulfilling this requirement at a rate of \$1.00 per year for 50 years since the City owns the property.

ALTERNATIVES:

City Council could choose not to approve this action; however without the YMCA as a partner, the City would need to provide an additional \$2,500,000.00 in funding to design and construct the recreational facility, plus additional funding for the operation of the facility. The project could not be completed in the same timeline

proposed by the YMCA.

FISCAL IMPACT:

- A. This is a one-time capital improvement expenditure in the amount not to exceed \$2,500,000.00 authorized payable to the YMCA of Greater San Antonio on a reimbursement basis, to be paid after the YMCA raises their match of \$2,500,000.00. Funds are available from the 2012-2017 General Obligation Bonds and are included in the 2015-2020 Capital Improvement Budget.
- B. Under the terms of the lease agreement, this ground-lease will be for \$1.00 per year for 50 years payable to the City of San Antonio.

RECOMMENDATION:

Staff recommends approval of the following items related to the Greater Mission Recreational Facility, a 2012-2017 Bond funded project, located in Council District 3:

- A. An ordinance authorizing the execution of a Funding Agreement with The YMCA of Greater San Antonio in an amount not to exceed \$2,500,000.00 for the design and construction of a 15,000 square foot or larger recreational facility, located in Council District 3.
- B. An ordinance authorizing the execution of a 50 year ground lease for \$1.00 per year with The YMCA of Greater San Antonio for a 15,000 square foot recreational facility for a parcel located at 3100 Roosevelt Avenue, the former Mission Drive-In.