

AN ORDINANCE **73486**

APPROVING THE ACQUISITION FROM CENTER STREET JOINT VENTURE OF THE PROPERTY, INCLUDING IMPROVEMENTS, LOCATED AT 243 N. CENTER STREET DESCRIBED AS 1.42 ACRES OF LAND BEING LOTS 3 THROUGH 6, 10 THROUGH 13, 6A AND THE EAST 51 FEET OF 11A, BLOCK 11, NEW CITY BLOCK 580, FOR THE SUM OF \$530,000.00 FOR ITS CONTINUED USE AS THE MAIN OFFICE FOR THE PARKING DIVISION OF THE PUBLIC WORKS DEPARTMENT; AUTHORIZING THE EXECUTION OF A PURCHASE CONTRACT AND ANY AND ALL OTHER INSTRUMENTS IN CONNECTION THEREWITH; APPROPRIATING FUNDS; AND PROVIDING FOR PAYMENT.

* * * * *

WHEREAS, the CITY OF SAN ANTONIO ("CITY") as Lessee, has been leasing a portion of an office building located at 243 N. Center Street from CENTER STREET JOINT VENTURE, as Lessor, for use by the Parking Division of the Public Works Department, under two consecutive leases, commencing in 1986, as approved by Ordinance No. 62321 passed on February 13, 1986, with such occupancy subsequently continued thereafter, pursuant to Ordinance No. 68944 approved on March 2, 1989; and

WHEREAS, the CITY is currently leasing said building on a month-to-month basis pending a possible purchase of the entire building and land, as opposed to continued leasing; and

WHEREAS, an opportunity has been presented to the CITY to buy all of the improvements and land for \$530,000.00 compared to a 1988 asking price of \$1,100,000.00; and

WHEREAS, the CITY is spending \$51,000.00 per year for leasing a portion of the building, which amount could increase under a new Lease Agreement, and, by purchasing all of the improvements and land, the CITY could save funds; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The acquisition is hereby approved from CENTER STREET JOINT VENTURE, a Texas General Partnership, composed of JOHN C. BRATTON, ERNEST BREIG, and GEORGE OZUNA, as "SELLER", of the property, including improvements, located at 243 N. Center Street, described as 1.42 acres of land being Lots 3 through 6, 10 through 13, 6A and the east 51 feet of Lot 11A, Block 11, New City Block 580, for the sum of \$530,000.00 for its continued use as the main office for the Parking Division of the Public Works Department.

SECTION 2. The City Manager or Assistant City Manager is authorized to execute, on behalf of the CITY OF SAN ANTONIO, as "PURCHASER" (1) a Purchase Contract with CENTER STREET JOINT VENTURE, a Texas General Partnership, as "SELLER", and (2) any and all other instruments,

after review by the City Attorney, in connection with the purchase of the land and improvements located at 243 N. Center Street, San Antonio, Bexar County, Texas, as described in Section 1 above.

SECTION 3. The amount of \$530,000.00 is appropriated in the Parking Facilities Operating Fund No. 52-001 to the following accounts, and said amount is authorized to be encumbered in and paid from said accounts to the Commercial Land Title of San Antonio, Inc., the escrow agents in this transaction:

- \$ 251,000.00 to Expenditure A/C Index No. 354449 (Improvements)
- \$ 279,000.00 to Expenditure A/C Index No. 351502 (Land)

PASSED AND APPROVED this 9th day of April, 1991.

Lila Cockrill
M A Y O R

ATTEST: *Kerna S. Rodriguez*
City Clerk

APPROVED AS TO FORM: *[Signature]*
City Attorney

91-15

ARTS & CULTURAL AFFAIRS
AVIATION
BUILDING INSPECTIONS
BUILDING INSPECTIONS-HOUSE NUMBERING
CITY ATTORNEY
MUNICIPAL COURT
REAL ESTATE (FASSNIDGE)
REAL ESTATE (WOOD)
TRIAL SECTION
CITY MANAGER
TRAVIS BISHOP, ASST. TO THE MANAGER
CODE COMPLIANCE
CITY PUBLIC SERVICE-GENERAL MANAGER
CITY PUBLIC SERVICE-MAPS & RECORDS
CITY WATER BOARD-GENERAL MANAGER
COMMERCIAL RECORDER
COMMUNITY DEVELOPMENT (BASEMENT)
CONVENTION & VISITORS BUREAU
CONVENTION FACILITIES
DOME DEVELOPMENT OFFICE
ECONOMIC & EMPLOYMENT DEVELOPMENT (DEED)
ENVIRONMENTAL MANAGEMENT
FINANCE DIRECTOR
ASSESSOR
CONTROLLER
GRANTS
RISK MANAGEMENT
TREASURY
FIRE DEPARTMENT
HUMAN RESOURCES & SERVICES
INFORMATION RESOURCES
INTERNATIONAL RELATIONS
LIBRARY
MANAGEMENT SERVICES
MARKET SQUARE
METROPOLITAN HEALTH DISTRICT
MUNICIPAL CODE CORPORATION (PUBLICATION)
MUNICIPAL COURTS
PARKS & RECREATION
PLANNING
LAND DEVELOPMENT SERVICES
POLICE DEPARTMENT
PUBLIC INFORMATION OFFICE
PUBLIC UTILITIES
PUBLIC WORKS
CAPITAL PROJECTS MANAGEMENT
CENTRAL MAPPING
ENGINEERING
PARKING DIVISION
REAL ESTATE (BILL TOUDOUZE)
TRAFFIC ENGINEERING
PURCHASING & GENERAL SERVICES

ITEM NO. 42
 APR 09 1991

MEETING OF THE CITY COUNCIL DATE: _____

MOTION BY: Dutmer SECONDED BY: Labatt

ORD. NO. **73486** ZONING CASE _____

RESOL. _____ PETITION _____

	ROLLCALL	AYES	NAYS
MARIA BERRIOZABAL PLACE 1		✓	
JOE WEBB PLACE 2		✓	
HELEN DUTMER PLACE 3		✓	
FRANK D. WING PLACE 4		✓	
WALTER MARTINEZ PLACE 5		absent	
BOB THOMPSON PLACE 6		absent	
YOLANDA VERA PLACE 7		absent	X
NELSON WOLFF PLACE 8		✓	
WEIR LABATT PLACE 9		✓	
JAMES C. HASSLOCHER PLACE 10		absent	
LILA COCKRELL PLACE 11 (MAYOR)		✓	

91-15

FILE "CENTER ST. JOINT VENTURE"

PF-10a

Proforma Income Statement

Project: Center Street Project

Purchase: \$530,000 Cash

Lease Revenue: 3,200 sq ft office x 90% occupancy x \$,85
in '97 10% rate increase

Basement: 5,000 sq ft * 90% * \$.25 in '97

Parking: 1993 151 spaces @ \$3.00 @ 52 events

Net Income: Reimbursement to Parking Fund for Original Purchase
: City assumed to occupy 5,000 sq ft office and 5,000 sq ft basement

Period Ending	Lease Expense	Parking Fund * Payback	O & M Expense	Total Payback	Revenue Lot	Parking Revenue Lease	Revenue Lease	Total Revenue	Net Gain
12/1991	\$0	\$63,440	\$0	\$63,440	\$0	\$51,000	\$12,440	\$63,440	\$0
12/1992	\$0	\$80,376	\$0	\$80,376	\$0	\$51,000	\$29,376	\$80,376	\$0
12/1993	\$0	\$109,582	\$0	\$109,582	\$23,556	\$56,650	\$29,376	\$109,582	\$0
12/1994	\$0	\$109,582	\$0	\$109,582	\$23,556	\$56,650	\$29,376	\$109,582	\$0
12/1995	\$0	\$109,582	\$0	\$109,582	\$23,556	\$56,650	\$29,376	\$109,582	\$0
12/1996	\$0	\$109,582	\$0	\$109,582	\$23,556	\$56,650	\$29,376	\$109,582	\$0
12/1997	\$0	\$54,220	\$0	\$54,220	\$23,556	\$0	\$46,332	\$69,888	\$15,668
12/1998	\$0	\$0	\$0	\$0	\$23,556	\$0	\$46,332	\$69,888	\$69,888
12/1999	\$0	\$0	\$0	\$0	\$23,556	\$0	\$46,332	\$69,888	\$69,888
12/2000	\$0	\$0	\$0	\$0	\$23,556	\$0	\$46,332	\$69,888	\$69,888

* \$530,000 @ 5.75% int



PROPOSED ACQUISITION
 APPROVED ON 3-27-91 BY THE
 PLANNING COMMISSION.

HOETH

WALNUT

N.

DEAD END TRACK #1

78.74
 127.05
 16
 93.36
 15
 89.03
 33.48
 15.06
 1.68
 1.51
 50.00

20'
 416.0'
 A.20
 611.5'
 177.5'
 20'
 41.

CITY OF SAN ANTONIO
Public Works Department

AGENDA ITEM NO.

42

INTERDEPARTMENT CORRESPONDENCE SHEET

TO: City Council thru City Manager

FROM: Joe A. Aceves, P.E., Director of Public Works

COPIES TO: Warner Fassnidge, Legal; File

SUBJECT: Purchase of a Building Located at 243 N. Center Street

DATE: April 2, 1991

Summary and Recommendation

This ordinance approves the acquisition from Center Street Joint Venture of the property located at 243 N. Center Street described as NCB 580, Block 11, Lots 3 through 6, 10 through 13, 6A and E, and 5 feet of 11A for the sum of \$530,000 for its continued use as the main office for the Parking Division of the Public Works Department; authorizes the City Manager or Assistant City Manager to execute a purchase contract and any and all other instruments in connection therewith; and appropriates \$530,000 from Parking Fund No. 53-001 for this purchase.

It is recommended this ordinance be approved.

The Parking Division of the Public Works Department is not included in the City Hall Complex Space Planning Study, which will be presented to the City Council in five or six weeks.

Background

The owners of this property first contacted the City about the possible purchase of this property in 1988. At that time, the asking price was about \$1,100,000. The appraisals of the property indicated a value of between \$640,000 and \$870,000. The matter was not pursued at that time because of the difference in asking price and appraisal value.

The owner again approached the City this year about the possible purchase. The property has been reappraised at between \$350,000 and \$530,000. This property has a value of \$1,032,200 on the Bexar County Appraisal District rolls. The owners and their lending institution are willing to sell the property for \$530,000, or the most recent higher appraisal value.

There is sufficient fund balance in the Parking Fund to pay for the property (as shown in the Financial Analysis section). The fund balance can be restored with interest within seven years, as shown on the attached proforma.

Policy Analysis

The Parking Fund is a self-sustaining enterprise fund which must generate sufficient revenues to cover all operating expenses, debt service, and provide a reserve fund for improvements and/or major maintenance repairs.

Financial Impact

The Parking Fund currently has a 35% fund balance and will maintain a 25% fund balance, approximately \$1 million, after this purchase. The Parking Fund will be reimbursed, with interest, \$530,000 in seven years. Within seven years, the project becomes a revenue generator for the Fund.

Supplementary Comments

The Parking Division leases 5,000 sq. ft. of office space and 5,000 sq. ft. of basement in this building for an annual lease payment of \$51,000. There are 3,200 sq. ft. of office space remaining to be leased and 5,000 sq. ft. of basement for storage. There are 151 parking spaces adjacent to the building. The property is one block north of the Dome property boundary.

In 1988, the property was appraised as follows:

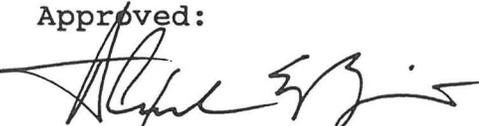
<u>Appraiser</u>	<u>Amount</u>
George Scott Benford	\$640,000
Carl Nentwich	\$870,000

In December 1990, the appraisals were updated as follows:

George Scott Benford	\$350,000
Carl Nentwich	\$530,000


Joe A. Aceves, P.E.
Director of Public Works

Approved:


Alexander E. Briseño
City Manager

mp
Atch.