

SPECIAL MEETING OF THE CITY COUNCIL
OF THE CITY OF SAN ANTONIO HELD IN
THE COUNCIL CHAMBER, CITY HALL, ON
TUESDAY, OCTOBER 20, 1981

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The Meeting was called to order at 6:09 P.M. by the presiding officer, Mayor Henry Cisneros, with the following members present: BERRIOZABAL, WEBB, WING, EURESTE, THOMPSON, ALDERETE, ARCHER, HASSLOCHER, DUTMER, CANAVAN, CISNEROS; ABSENT: None

81-54 Mayor Cisneros informed the audience of the two matters to be considered tonight.

81-54 The invocation was given by Councilman Bob Thompson.

81-54 Members of the City Council and the audience joined in the Pledge of Allegiance to the flag of the United States.

81-54 Mayor Cisneros stated that this was the first official City Council meeting for new Councilman G. E. "Ed" Harrington.

CERTIFICATES OF OBLIGATION

81-54 The Clerk read the following Resolution:

A RESOLUTION
NO. 81-54-94

BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS, APPROVING AND AUTHORIZING THE GIVING OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$4,000,000 FOR THE PURPOSE OF PAYING ALL OR A PORTION OF CONTRACTUAL OBLIGATIONS TO BE INCURRED IN THE PURCHASE OF HEAVY EQUIPMENT AND TO PAY CONTRACTUAL OBLIGATIONS TO BE INCURRED FOR PROFESSIONAL SERVICES OF A FINANCIAL ADVISOR AND ATTORNEYS INCURRED IN CONNECTION WITH THE PURCHASE AND FINANCING OF SAID EQUIPMENT.

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Councilman Wing moved to approve the Resolution. Councilman Alderete seconded the motion.

Mayor Cisneros explained the details of the plan to sell Certificates of Obligation as called for in the Resolution.

City Manager Thomas E. Huebner stated that a City staff report had been prepared on a wide range of unfunded priority items for capital funds.

In response to a question by Councilman Thompson, Mayor Cisneros explained the contents of that staff report, then spoke to keeping open the option to sell Certificates of Obligation because

of the timetable involved, in which the availability of certain items is predicated on purchase by a certain date in order to guarantee the quoted prices.

Councilman Archer asked City staff to consider allocation of monies for upkeep of the City parks, stating that many were in bad shape from lack of upkeep.

Mayor Cisneros suggested the staff hold up its formal report until Thursday, in order that other Council members might have an opportunity between now and then to suggest other priorities for consideration.

City Manager Huebner briefly listed the priority items already on the staff list.

After a brief discussion, it was decided by concensus that consideration of this list be made a part of the regular "A" Session agenda on Thursday, October 22, 1981.

Councilman Wing stated that the problems of vegetation control and the dumping of trash on vacant lots also should be considered among the priorities for consideration.

Councilwoman Dutmer spoke to the need for replacement of certain valves on the city's sewage system, in order to prevent future occurrences of the leaking lines such as the one under the San Antonio River near the Nueva Street bridge.

After discussion, the motion carrying with it the passage of the Resolution, prevailed by the following vote: AYES: Berriozabal, Dutmer, Wing, Eureste, Thompson, Alderete, Harrington, Archer, Hasslocher, Cisneros; NAYS: None; ABSENT: Webb.

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RAND BUILDING-BANKING CORRIDOR PARKING GARAGE

81-54 The Clerk read the following Resolution:

A RESOLUTION
NO.81-54-95

AUTHORIZING CITY STAFF TO PROCEED WITH THE
DEVELOPMENT OF THE PROPOSED BANKING CORRIDOR
GARAGE.

* * *

Mayor Cisneros provided a brief history of the situation surrounding the plans for erecting a Banking Corridor Parking Garage and renovation of the Rand Building, including negotiations that have taken place relative to solving the issue of the long-term lease of space in the Rand Building to the Church's Fried Chicken facility.

Mayor Cisneros asked that the order of events for discussion of this item be:

- a. The developers.
- b. Church's Fried Chicken representatives.
- c. City staff on the parking garage.
- d. the San Antonio Conservation Society.
- e. a wrap-up by the developers.

Dean Maddix, speaking for the three partners in the Houston development team, spoke on the need for action in this matter soon, of discussions today with historic preservation officials at several levels, and to his opinion that there is a good chance to

get historic certification for the Rand Building.

Mr. Maddix further stated his belief that an agreement with all parties concerned can be reached on the sale of the Rand Building. He stated that Church's has stated that it will not move to new facilities in the parking structure to be built next to the Rand Building, and spoke of negotiations with Church's officials on relocation into altered ground-floor quarters of the Rand Building when it is renovated, noting that architects for both sides presently are meeting on details of that proposed plan.

Mr. Maddix then spoke of the City taking an active part in construction of the Banking Corridor Parking Garage, or at least a portion of its cost, noting that the situation with funding construction of the parking facility is the key question in the entire matter under discussion. He stated that the developers feel that they cannot afford to build the parking structure alone, and need the City's help in doing so.

City Manager Thomas E. Huebner spoke to the need for the parking facility by the City, Macro Investments, and others in the immediate area. He stated that the City is looking at a monthly parking rate for reserved spots in the garage of some \$100 per month, and that the City projects breaking even on the costs of the parking garage in the seventh year.

Mr. Frank Kiolbassa, Director of Public Works, spoke to the \$600,000 cost for the land needed for the parking structure, and addressed other matters, all of which are included in a two-page staff report on the issue, a copy of which is included with the papers of this special Council meeting.

City Manager Huebner spoke of his concerns for the steep 10 percent ramp grades necessary in the planned parking garage.

Ms. Peggy Penshorn, President of the San Antonio Conservation Society, stated that her organization favors saving the Rand Building and feels the developers have a plan which will do just that, in addition to building an adjacent parking garage for city needs.

Mr. Frank Glass of Houston, one of the developers of the proposed project, stated that the developers feel that they can design and build a 600-car parking garage for an estimated \$3.7 million, noting that opting for a 600-car garage rather than an 800-car garage would be not only cheaper, but also would allow fewer stories on the parking garage structure. He also stated that ramp grades of 10 per cent are less than the grades now being used in design of similar structures in the City of Houston, where grades of 12 per cent are allowed.

Mr. Frank Harvey, architect, spoke to the options available for design of the parking garage, including the use of either straight or spiralling grade ramps. He then spoke to other details of the design, including use of 12 per cent grade ramps, and noted that restricting design of the garage of 600-car capacity would eliminate the need for a sub-level below ground.

Mr. Harvey stated that his design included room for 79 vehicles per level and then spoke to the possibility that Macro Investments might allow some rights on their side of the parking garage to aid in design and construction.

Mr. Pete Sealey, representing Macro Investments, stated that his firm requires use of 200 parking spaces in the new parking garage, in order to satisfy requirements of the prime lender involved in his firm's renovation of the old San Antonio Savings Association, building, south of the parking garage site.

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General Larry M. Killpack, Group Vice-President for Development of Church's Fried Chicken, stated that his firm had waited some five years for the present ground-floor space now occupied by Church's to become available for development, and the firm is not anxious to move from that location at this time.

In response to a question by Councilman Thompson, Mr. Sealey stated that terms of the lending agreement involving his firm requires availability of 200 parking spaces, but availability of at least some of those parking spaces in another close-proximity location probably would fulfill those lending requirements.

In response to another question by Councilman Thompson, City Public Works Director Frank Kiolbassa discussed the differences in cost figures between the City and the developers.

A brief discussion of construction cost figures per parking slot and the ramp slopes then took place.

In response to a question by Councilman Eureste, Mr. Maddix stated that his partners favor a 600-slot parking garage, stating that he feels that arrangements could be made for an additional 50 slots to be made available in the Frost Bank parking garage, across the street. He stated that the developers would need to meet with representatives of Macro Investments in this matter, to work out an arrangement.

Mr. Glass then discussed the aesthetics of the proposed parking garage, in relation to the surrounding buildings.

Councilman Eureste spoke in favor of the proposal, and plans to renovate the Rand Building for office space.

In response to a question by Councilwoman Dutmer, City Attorney Jane Macon stated that using Certificates of Obligation to finance the parking garage allows only a certain percentage of available parking slots for lease to private firms on a monthly basis.

In response to a question by Councilwoman Dutmer as to whether or not the City could have a 700-car parking garage on the site, City Public Works Director Frank Kiolbassa stated that many factors affect the final decision on how many spaces to build for.

A discussion then took place concerning the long-term lease held by Church's Fried Chicken with Frost Bank, present owners of the Rand Building, and what would happen to that lease if the Rand Building were to be torn down.

Councilwoman Dutmer spoke to her belief that someone appears to be throwing stumbling blocks in the way of a settlement on the issue in order to scuttle the entire project.

Councilman Hasslocher stated that location is all-important to a restaurant operation and spoke to several concerns in that regard in this matter. He also stated he is committed to a parking garage in this location, but has problems regarding location of Church's Chicken facility.

In response to a question by Councilman Webb, General Killpack spoke to details of the negotiations on the Rand Building matter and any concessions his firm might be willing to make. He stated that his firm believes that it needs frontage onto Main Avenue, even if it agrees to shift to a new location on the Soledad Street portion of the building.

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Mayor Cisneros stated that the developer group and Church's must work out the problems themselves, and the City's sole decision at this time is what to do about a parking garage adjacent to the Rand Building, stating that the City must first move on this matter.

A brief discussion was held on a November 5 deadline imposed as part of the agreement between San Antonio Conservation Society and Frost Bank, relative to the Rand Building sale.

In response to a question by Councilman Archer, Mr. Maddix discussed details of this group's proposal to Church's, then spoke to the advantages of the proposal, including an attractive lease rate and other amenities, noting that Church's would be reimbursed for any losses brought about by the move to less-desirable quarters.

Councilman Archer stated that this proposal would, in his opinion, be good for the downtown area, in general.

Councilman Eureste made a motion to provide City staff with general direction to proceed along the lines of building the Banking Corridor Parking Garage on property between the Rand Building and Macro Investments property; that further discussions will take place between City staff and the developers' engineering firm on the technical aspect of the project, a new pro forma, etc.; and that a more concrete report be brought back to city Council on Thursday, October 22, 1981. Councilman Hasslocher seconded the motion.

A discussion then was held on whether or not Church's present lease would be honored or some form of compensation paid, should the purchase of the Rand Building by the San Antonio Conservation Society is consummated.

Councilwoman Dutmer made an Amended Motion to make the Resolution include provision for 800 spaces for vehicle parking. Councilwoman Berriozabal seconded the motion.

Councilman Thompson discussed his concerns over the projected charge of some \$100 per month for contract parking in the parking garage, and stated that such a municipal facility must be self-sustaining.

City Manager Huebner stated that City staff would like to have some sort of direction from City Council, and that a report would be back before the Council on Thursday, October 22, 1981.

Councilwoman Berriozabal stated that the City Council is committed to building the Banking Corridor Parking Garage, that the parties involved now are in a position to do both that and save the Rand Building, and that this appeared to be a good plan.

Councilman Eureste made a Substitute Motion that City Council approve a Resolution authorizing City staff to immediately proceed with finalization of plans for construction of the proposed Banking Corridor Parking Garage, to be located on property between the Rand Building and Macro Investments property. Councilman Archer seconded the motion.

A brief discussion followed concerning City staff's preference on a site for the parking garage.

Councilman Wing asked that serious consideration be given to the matter of relocation of Church's Chicken facility in the Rand Building.

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Councilwoman Dutmer made an Amended Motion to the Substitute Motion to include provision for 800 spaces for vehicle parking in the parking garage, to be built on property between the Rand Building and Macro Investments property. Councilman Eureste seconded the motion.

A brief discussion then was held on the question of ability to the City to economically build parking garages of varying capacities.

In response to a question by Councilman Alderete, Public Works Director Frank Kiolbassa stated that a \$55-per-month contract rental on vehicle parking in this area probably would be best, as a general guideline, but that full discussion of this aspect needs to be held.

After discussion, the amended motion to the substitute motion prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Wing, Eureste, Alderete, Harrington, Archer, Cisneros; NAYS: Thompson, Hasslocher; ABSENT: None.

The substitute motion, as amended, carrying with it the passage of the Resolution, prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Wing, Eureste, Alderete, Harrington, Archer, Cisneros; NAYS: Thompson, Hasslocher; ABSENT: None

There being no further business to come before the Council, the meeting was adjourned at 8:03 P.M.

A P P R O V E D

Henry Cisneros
M A Y O R

ATTEST

Korma J. Rodriguez
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