

**CITY OF SAN ANTONIO  
INTERDEPARTMENTAL MEMORANDUM  
ECONOMIC DEVELOPMENT DEPARTMENT**

**CONSENT AGENDA**  
**ITEM NO. 12**

**TO:** Mayor and City Council

**FROM:** Ramiro A. Cavazos, Director, Economic Development Department

**THROUGH:** Terry M. Brechtel, City Manager

**COPIES:** Christopher J. Brady; Lou Lendman, Andy Martin; Milo Nitschke, File

**SUBJECT:** Ordinance to Re-appropriate Funds for the Convention Center Hotel Project

**DATE:** October 23, 2003

**SUMMARY AND RECOMMENDATIONS:**

The purpose of this ordinance is to re-appropriate budgeted funds for the Convention Center Hotel Project for use toward current and future project expenses. The existing funding was appropriated for project-related legal work and is presently encumbered for that sole purpose. The proposed use of the re-appropriated funds will include printing/copying expenses, fees to professional services, and other administrative expenses, for a total amount of \$96,346.19. This ordinance will also authorize the payment from said funds totaling \$4,600.56 to PKF Consulting, the City's hotel advisor, for services provided to the Convention Center Hotel Advisory Board.

Staff recommends approval.

**BACKGROUND INFORMATION:**

On March 15, 2001 (by ordinance No. 93590), City Council authorized \$250,000 for legal services involved in the preparation and negotiation of a project documents for Convention Headquarters Hotel Project, pursuant to an agreement with the law firm of Bracewell & Patterson, L.L.P. Previous legal work was halted in August 2002, and additional legal work by this firm is not anticipated in the foreseeable future. The current balance of funding available for this project is \$96,346.19. Staff proposes to re-appropriate the funds to other project-specific expenses.

The City's Convention Center Hotel Advisory Board (CCHAB) has been meeting since April to formulate recommendations about financing structure and process for identifying a preferred developer for the project. The City's hotel advisor, PKF Consulting, has provided services to the CCHAB under a previous contract totaling \$40,000. However, the services requested by the City and CCHAB exceeded the authorized funding available for this contract. Staff proposes to authorize payment from the available funds in an amount of \$4,600.56 in order to compensate PKF for services to date.

The remaining balance of funds will be used for project expenses and will allow the City to procure and retain industry experts who can advise and provide specialized analysis during the developer selection and contract negotiation processes.

**POLICY ANALYSIS:**

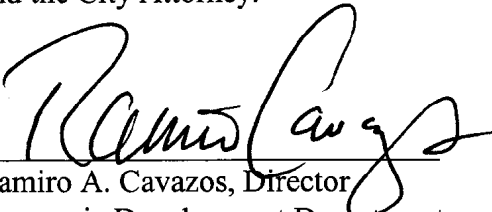
This ordinance will allocate funds for this project and anticipated expenses. It would also unencumber funds previously set aside for the now-expired contract with the law firm of Bracewell and Patterson, L.L.P.

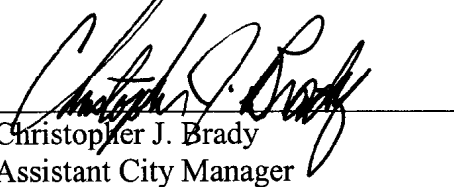
**FISCAL IMPACT:**

The proposed re-allocation utilizes existing Hotel Occupancy Tax (HOT) funds allocated to the Convention Center Hotel Project budget totaling \$96,346.19, and authorizes uses outlined in the budget attached as Exhibit A. The payment of \$4,600.56 to PKF Consulting would also be made from these funds. Since this re-allocation uses budgeted funds, it does not have any other additional fiscal impact.

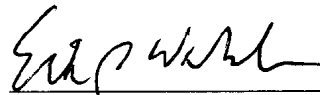
**COORDINATION:**

This item has been coordinated with the Office of Management and Budget, Finance Department and the City Attorney.

  
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Ramiro A. Cavazos, Director  
Economic Development Department

  
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Christopher J. Brady  
Assistant City Manager

Approved:

  
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Terry M. Brechtel  
City Manager

RAC:TJ:hb  
Attachments

**EXHIBIT A**

**Proposed Budget for  
Convention Center Hotel Project**

<u>Object Code</u>	<u>Index</u>	<u>Description</u>	<u>Amount</u>
02-113	TBD	Postage and Parcel Post	\$150.00
02-160	TBD	Fees to Professional Contractors**	\$95,846.19
02-181	TBD	Printing and Reproduction	\$100.00
03-210	TBD	Office Supplies	\$50.00
03-216	TBD	Food	\$200.00
		<b>TOTAL</b>	<b>\$96,346.19</b>

\*\* - Includes amount authorized for PKF Payment totaling \$4,600.56