CITY OF SAN ANTONIO City Manager's Office Interdepartmental Correspondence

To: Mayor & City Council

Through: Terry M. Brechtel, City Manager

From: Christopher J. Brady, Assistant City Manager

Copies: Andy Martin, City Attorney; Malcolm Matthews, Director of Parks & Recreation;

file

Subject: Starbright IDC Cellular Tower Relocation Agreement

DATE: November 13, 2003

Summary and Recommendation:

A Resolution by the Board of Directors of the Starbright Industrial Development Corporation (IDC) authorizing an agreement between the City of San Antonio, Texas, Starbright IDC and Tower Asset Sub, Inc. for the purpose of removal of a communications tower and related equipment as part of the IDC's obligations to transfer certain parcels of real property under the Project Starbright Agreement.

Staff recommends approval.

Background Information:

Starbright Industrial Development Corporation purchased approximately 1,700 acres in May 2003 for the Toyota Project Site. Mary Louise Walsh previously owned this property. There is a communications tower (the "Cell Tower") located near Applewhite Road on the Toyota site that was constructed pursuant to a Communications Site Lease Agreement dated December 23, 1997 between Nextel of Texas, Inc. and Mary Louise Walsh. As part of the Starbright Agreement, the City is obligated to move the cell tower from the Toyota site. In order to expedite relocation of the cell tower, the City will assume the existing cell tower agreement. The IDC will cause the Cell Tower to be removed from the Toyota Site.

Medina River Park was identified as a possible location for the relocation of the cell tower in July 2003. Parks and Recreation staff met with representatives from SpectraSite at the Medina River Park to determine if the site would be suitable for the relocation of the tower. A separate lease will be negotiated between SpectraSite and the City of San Antonio for use of the City owned property.

The City and SpectraSite have agreed to relocate the cell tower to Medina River Park. Estimated cost for relocation of the cell tower is \$300,000. In exchange, SpectraSite has committed itself to vacate the existing location in sufficient time for the City and Starbright IDC to meet the deadlines set forth in the Project Starbright Agreement.

Financial Impact:

The Starbright Agreement provides for a credit to the City's \$10,000,000 site preparation reimbursement obligation in the amount of \$300,000 for relocating the cell tower. Relocation costs will be paid from the City of San Antonio, Texas Starbright Industrial Development Corporation Contract Revenue Bonds, Series 2003 bond proceeds. There is no impact to the City's operating budget.

Coordination:

This ordinance has been coordinated with the City Attorney's Office, Parks & Recreation Department, and Finance Department.

Christopher J. Brady Assistant City Manager

Approved:

Terry M. Brechtel City Manager