

SPECIAL COUNCIL MEETING
DECEMBER 21, 2004
AGENDA ITEM "C"

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

TO: Mayor and City Council

FROM: Christopher J. Brady, Assistant City Manager

SUBJECT: Requesting an ordinance to authorize the Second Amendment to a professional services agreement with HVS International an amount not to exceed \$60,000 (for a total contract amount of \$150,000) to provide additional hotel consultant advisory services during the negotiations with the preferred developer for the Convention Center Hotel Project.

DATE: December 21, 2004

SUMMARY AND RECOMMENDATIONS

This ordinance would authorize the Second Amendment to a professional services agreement with HVS International (approved by Ordinance No. 99012 on March 25, 2004, and amended by Ordinance No. 99776 on September 23, 2004) an amount not to exceed \$60,000 (for a total contract amount of \$150,000) to provide additional hotel consultant advisory services during the negotiations with the preferred developer for the Convention Center Hotel Project.

Staff recommends approval.

BACKGROUND INFORMATION

The City is pursuing the development of a 1,000-room convention center hotel adjacent to the Henry B. Gonzalez Convention Center. On August 24, 2004, the City received proposals from three hotel development teams. Presentations of developer proposals were received by the City Council on December 7, and discussed again on December 16. On December 21, 2004, the City Council is scheduled to select a Preferred Hotel Developer.

Under its agreement with the City, HVS has performed three tasks: an initial investment feasibility analysis; preparation of Request For Proposal documents for the City's hotel developer; and assisting the City in the evaluation of proposals. Staff and the Convention Center Hotel Advisory Board have utilized HVS extensively during this process, and expended funds budgeted for this contract to date. This contract amendment would provide for a final investment feasibility analysis, which will become part of the Offering Statement for bond issuance in support of the project.

POLICY ANALYSIS

This is the second amendment of the HVS contract, bringing the total contract value to \$150,000. During negotiations with the preferred developer, HVS will advise the City on hotel operator arrangements, design standards, and other topics related to the development as they arise.

FISCAL IMPACT

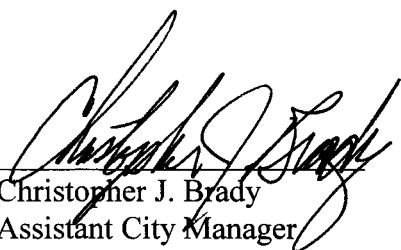
Invoices will be paid from available funds at the discretion of the Finance Director. However, it is the City's intent to reimburse itself for these project-related expenditures from proceeds of a revenue bond issue for the hotel.

COORDINATION


This item has been coordinated with the City Manager's Office, City Attorney's Office, and Finance Departments.

SUPPLEMENTARY COMMENTS

The City's Discretionary Contracts Disclosure Form is attached.



Christopher J. Brady
Assistant City Manager



J. Rolando Bono
Interim City Manager

ATTACHMENT

City of San Antonio
Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

** This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.*

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

None

(2) the identity of any business entity¹ that would be a party to the discretionary contract:

None

and the name of:

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract:

None

and the name of:

(E) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary* business entity, of any individual or business entity who would be a party to the discretionary contract:

None

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
Not applicable		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: Thomas Hagenashi	Title: Managing Director Company: HUS International	Date: 3-15-04
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² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.