

AN ORDINANCE **99351**

AUTHORIZING THE EXECUTION OF A PURCHASE AND SALE AGREEMENT WITH LEVI STRAUSS & CO. IN AN AMOUNT NOT TO EXCEED \$4,850,000.00 FOR THE PURCHASE OF APPROXIMATELY 58.9 ACRES CONTAINING TWO PRIMARY BUILDINGS WITH A COMBINED SQUARE FOOTAGE TOTALING APPROXIMATELY 333,000 SQUARE FEET, LOCATED ON HIGHWAY 90 WEST, IN COUNCIL DISTRICT 6, FOR USE BY THE DEPARTMENTS OF PUBLIC WORKS AND PARKS AND RECREATION; AND AUTHORIZING PAYMENT OF (1) \$ 50,000.00 TO CHICAGO TITLE INSURANCE COMPANY AS A DEPOSIT TO BE APPLIED TOWARD THE PURCHASE PRICE UPON CLOSING OF THE TRANSACTION, AND (2) AN AMOUNT NOT TO EXCEED \$150,000.00 FOR COSTS ASSOCIATED WITH PROPERTY DUE DILIGENCE/INSPECTIONS AND FEES DUE FROM THE CITY PRIOR TO AND AT THE TIME OF SUCH CLOSING.

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WHEREAS, over the past few years City staff, in conjunction with the City's real estate brokers, has researched numerous properties to identify a site to accommodate the consolidation/relocation of operational functions of both the Department of Public Works and the Parks and Recreation Department and to provide for future growth and expansion; and

WHEREAS, the Levi Strauss property, containing approximately 58.9 acres of land and two primary buildings with a combined square footage totaling approximately 333,000 square feet (Building I and Building II), located on Highway 90 in N.C.B. 13951, adjacent to City-owned Wolff Stadium and Levi Strauss Park, meets the criteria as suitable for such consolidation/relocation of operational functions and future growth and expansion, and is available for purchase for an amount not to exceed \$4,850,000.00 plus \$150,000.00 for costs related to due diligence, inspections, and closing fees; and

WHEREAS, under the terms of a Purchase and Sale Agreement between the City, as Buyer, and Levi Strauss & Co., as Seller, the City has an option to purchase Building II and the excess land comprising a total acreage of approximately 37.4 acres, for a purchase price of \$3,300,000.00; and

WHEREAS, under the terms of such Purchase and Sale Agreement between the City, as Buyer, and Levi Strauss & Co., as Seller, the City has the option to purchase approximately 21.5 acres of land and Building I for an amount not to exceed \$1,550,000.00; **NOW THEREFORE**,

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

SECTION 1. The purchase by the City of San Antonio from Levi Strauss & Co. of approximately 58.9 acres of land, containing two primary buildings with a combined square footage totaling approximately 333,000 square feet, located on Highway 90 in N.C.B. 13951, is hereby approved for a negotiated price not to exceed \$4,850,000.00.

SECTION 2. The City Manager or her designee is hereby authorized to execute a Purchase and Sale Agreement between the City of San Antonio, as Buyer, and Levi Strauss & Co., as Seller, in connection with such purchase, a copy of which agreement, executed on behalf of the Seller, is affixed hereto as **Attachment I** and incorporated herein verbatim for all purposes.

SECTION 3. The following financial adjustments as may be necessary to effect this Ordinance are hereby approved:

a) The budget in Fund 45-982095, 1999 Park Improvements, sold in 2001, shall be revised by reducing Index Code 695551, entitled "Unallocated Appropriations: Proceeds", by the amount of \$1,065,334.91.

b) The amount of \$1,100,000.00 is appropriated in Fund 45-982041, 1999 Park Improvements, sold in 2001, in Index Code 934471, entitled "Trf to 40-003407 Levi Strauss Prop." The amount of \$1,100,000.00 is authorized to be transferred from Fund 45-982041 to Fund 40-003407.

c) The budget in Fund 40-003407, Other Capital Projects, Municipal Buildings and Grounds, shall be revised by increasing Index Code 131029, entitled "Transfer from 45-982041", by the amount of \$1,100,000.00.

d) The budget in Fund 43-182095, Certificates of Obligation, 2002 Parks and Recreation Improvements, shall be revised by reducing Index Code 758219, entitled "Unallocated Appropriations: Proceeds", by the amount of \$500,000.00.

e) The amount of \$500,000.00 is appropriated in Fund 43-182005, Certificates of Obligation, 2002 Parks and Recreation Improvements, in Index Code 934489, entitled "Trf to 40-003407 Levi Strauss Prop". The amount of \$500,000.00 is authorized to be transferred from Fund 43-182005 to Fund 40-003407.

f) The budget in Fund 40-003407, Other Capital Projects, Municipal Buildings and Grounds, shall be revised by increasing Index Code 131037, entitled "Transfer from 43-182005", by the amount of \$500,000.00.

g) The amount of \$1,850,000.00 is appropriated in Fund 43-503001, Certificates of Obligation, 2004 Parks & Recreation, in Index Code 934497, entitled "Trf to 40-003407 Levi Strauss Prop". The amount of \$1,850,000.00 is authorized to be transferred from Fund 43-503001 to Fund 40-003407.

h) The budget in Fund 40-003407, Other Capital Projects, Municipal Buildings and Grounds, shall be revised by increasing Index Code 131078, entitled "Transfer from 43-503001", by the amount of \$1,850,000.00.

i) The amount of \$3,250,000.00 is appropriated in Fund 40-003407, Other Capital Projects, Municipal Buildings and Grounds, in Index Code 787978, entitled "Property Acquisition-Land & Improvements", and is authorized to be encumbered and made payable for property acquisition-land & improvements in connection with the Levi Strauss Property project.

j) The amount of \$50,000.00 is appropriated in Fund 40-003407, Other Capital Projects, Municipal Buildings and Grounds, in Index Code 787978, entitled "Property Acquisition-Land & Improvements", and is authorized to be encumbered and made payable to Chicago Title Insurance Company as a deposit to be applied toward the purchase price upon closing of the transaction, in connection with the Levi Strauss Property project.

k) The amount of \$150,000.00 is appropriated in Fund 40-003407, Other Capital Projects, Municipal Buildings and Grounds, in Index Code 787986, entitled "Miscellaneous Services & Fees" and is authorized to be encumbered and made payable for miscellaneous services & fees in connection with the Levi Strauss Property project.

D) The amount of \$ 1,550,000.00 is hereby appropriated in Fund 40-003407, Other Capital Projects, Municipal Buildings and Grounds, in Index Code 787978, entitled "Property Acquisition-Land & Improvements", and is authorized to be encumbered and made payable for the balance of the purchase price of the property acquisition-land & improvements in connection with the Levi Strauss Property project, contingent on the City purchasing the entire approximately 58.9 acres of land and both Building I and Building II, with the source of funds to pay the \$1,550,000.00 for this acquisition to be left to the discretion of the Director of Finance.

SECTION 4. This Ordinance is also a declaration of the City's official intent to reimburse itself from the proceeds derived from the sale of General Obligation Bonds, Certificates of Obligation, or other sources of revenue or financing, for any authorized expenditures previously incurred from lawfully available funds of the City in connection with the purchase referenced in **SECTION 1**.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocation to specific Index Codes and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 6. This ordinance shall be effective on the 20th day of June, 2004.

PASSED AND APPROVED this 10th day of June, 2004.

ATTEST: *Leticia M. Vaut*
City Clerk


M A Y O R
EDWARD D. GARZA

APPROVED AS TO FORM: *Samy Clark Farris*
for City Attorney