



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 17

Agenda Date: December 7, 2023

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Third amendment to the Antenna License Agreement with TEGNA d/b/a KENS-TV.

SUMMARY:

This ordinance authorizes the third amendment to the Antenna License Agreement atop the Tower of the Americas with TEGNA d/b/a KENS-TV to renew the Agreement from January 1, 2024, through December 31, 2028. The agreement will generate total revenue of \$215,000.00 to be deposited into the General Fund.

BACKGROUND INFORMATION:

TEGNA has operated a television antenna for KENS-TV atop the Tower of the Americas since December 2008. The lease agreement was renewed for additional five year terms in 2013 and 2018. The current agreement expires December 31, 2023. TEGNA wishes to renew the agreement through December 31, 2028. This ordinance will authorize a third amendment to the agreement with TEGNA to renew the agreement through December 31, 2028.

ISSUE:

This ordinance authorizes a third amendment to the license agreement to extend the term from January 1, 2024, to December 31, 2028, and updates the annual rental rate from \$29,958.00 to \$40,500.00 for the first year, increasing 3% annually. This amount was based on of a market study provided by Holt Media. All funds will be deposited into the General Fund.

ALTERNATIVES:

The City may elect not to approve the amendment, which would result in KENS-TV operating in a hold-over status or ceasing operations from the Tower of the Americas.

FISCAL IMPACT:

This ordinance authorizes Amendment No. 3 to the Antenna License Agreement between the City of San Antonio and TEGNA d/b/a KENS-TV to renew the Agreement from January 1, 2024, through December 31, 2028. The initial annual license fee for this renewal term is \$40,500.00. This fee will increase 3% annually. The total amount of revenue to be generated from the third amendment is \$215,020.00 over the five-year renewal term. All funds will be deposited into the General Fund.

Year	Term	Annual Amount
1	1/1/2024 - 12/31/2024	\$ 40,500.00
2	1/1/2025 - 12/31/2025	\$ 41,715.00
3	1/1/2026 - 12/31/2026	\$ 42,966.45
4	1/1/2027 - 12/31/2027	\$ 44,255.44
5	1/1/2028 - 12/31/2028	\$ 45,583.11

RECOMMENDATION:

Staff recommends approval of the third amendment to the Antenna License Agreement between the City of San Antonio and TEGNA d/b/a KENS-TV to renew the agreement through December 31, 2028.