



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 20

**Agenda Date:** December 15, 2022

**In Control:** City Council A Session

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**DEPARTMENT:** Public Works Department

**DEPARTMENT HEAD:** Razi Hosseini

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Funding Agreement: Meals on Wheels San Antonio in support of Citywide Public Health and Safety Facility Improvements (2022 Bond project)

**SUMMARY:**

An ordinance approving the execution of a funding agreement between Meals on Wheels San Antonio and the City of San Antonio in an amount up to \$1,000,000.00 for the placement of solar panels on the new Meals on Wheels facility's roof including construction and installation of four electric car charging stations in support of Citywide Public Health and Safety Facility Improvements; and authorizing the execution of a 20-year lease agreement for the project. Funds are available from the 2022 – 2027 General Obligation Bond Program and are included in the FY 2023 – FY 2028 Capital Improvement Program.

**BACKGROUND INFORMATION:**

***Project Background***

On May 7, 2022, San Antonio residents voted and approved the 2022 – 2027 General Obligation Bond Program totaling \$1.2 billion. The Meals on Wheels project will be for the construction of a new 44,000-square-foot Headquarters for an overall project cost of \$23,733,000.00, with

\$1,000,000.00 allocated from the 2022 Bond Program, of which \$980,000.00 will be for construction and \$20,000.00 will be retained by the City of San Antonio.

### ***Funding Agreement***

The new Meals on Wheels Headquarters will be constructed at the property site of 2718 Danbury Drive. The facility shall include a 44,000-square-foot new facility with a kitchen, food preparation space, volunteer training and waiting area, loading dock and an expanded Grace Place Center, which will increase meal production to service the growing senior population. The City's Bond funds are to be used to facilitate the funding and placement of solar panels on the facility's roof as an investment to meet the energy needs of the building as well as the construction and installation of four electric car charging stations to increase the sustainability and resiliency of services.

The \$1 million allocated from the City's Bond Program will be provided to Meals on Wheels San Antonio on a reimbursement basis for the construction and installation of rooftop solar panels and four electric car charging stations. The design for this project has been completed and the headquarters building is currently under construction.

Meals on Wheels San Antonio will oversee the construction of the improvements for the Meals on Wheels San Antonio Headquarters in accordance with the bond brochure and funding agreement. The construction improvements will be solely funded by Meals on Wheels San Antonio and the City's contribution. The City's funding will be provided on a reimbursement basis and once the construction is verified and approved. All construction on the new facility is anticipated to be completed by the end of 2022.

### ***Lease Agreement***

In conjunction with this funding agreement, Meals on Wheels San Antonio, as the Landlord, will enter into a 20-year lease agreement with the City of San Antonio for the solar panels. The lease establishes public ownership and authorizes the City's financial contribution towards the facility providing community services for the benefit of the community.

This agreement will be executed in compliance with the Small Business Economic Development Advocacy (SBEDA) Program, which requires contracts be reviewed by a Goal Setting Committee to establish a requirement and/or incentive unique to the particular contract to maximize the amount of small, minority, and women-owned business participation on the contract. The Goal Setting Committee set a 0% Minority/Women Business Enterprise (M/WBE) subcontracting goal.

### **ISSUE:**

This ordinance approves the execution of a funding agreement between Meals on Wheels San Antonio and the City of San Antonio in an amount up to \$1,000,000.00 for the placement of solar panels on the new Meals on Wheels facility's roof as well as construction and installation of four electric car charging stations in support of Citywide Public Health and Safety Facility Improvements; and authorizing the execution of a 20-year lease agreement for the project.

### ***Funding Agreement***

The agreement provides for the construction and installation of roof top solar panels and four

electric car charging stations as part of Meals on Wheels San Antonio's new 44,000-square-foot headquarters project. Meals on Wheels San Antonio will oversee the construction of the improvements in accordance with the 2022 Bond Program and funding agreement. The City's funding will be provided on a reimbursement basis once the construction is verified and approved. All construction on the new facility is anticipated to be completed by the end of 2022.

***Lease Agreement***

In conjunction with this funding agreement, the Meals on Wheels San Antonio, as the Landlord, will enter into a 20-year lease agreement with the City of San Antonio as co-tenant. The lease establishes the public ownership and authorizes the City's financial contribution towards the facility providing community services for the benefit of the community.

**ALTERNATIVES:**

City Council could choose not to approve this agreement; however, doing so would delay the City from moving forward with its commitment to voters to provide funding for the Meals on Wheels Headquarters project and the facility's ability to meet its energy needs and increase the sustainability and resiliency of services.

**FISCAL IMPACT:**

This ordinance authorizes the execution of a funding agreement between Meals on Wheels San Antonio and the City of San Antonio in an amount up to \$1,000,000.00, of which \$980,000.00 will be for construction and \$20,000.00 will be for program management for sustainability improvements associated with the Meals on Wheels project in support of Citywide Public Health and Safety Facility Improvements; and authorizing the execution of a 20-year lease agreement for the project. Funds are available from the 2022–2027 General Obligation Bond Program and included in the FY 2023 – FY 2028 Capital Improvement Program.

**RECOMMENDATION:**

Staff recommends authorizing the execution of a funding agreement between Meals on Wheels San Antonio and the City of San Antonio in an amount up to \$1,000,000.00 for the placement of solar panels on the new Meals on Wheels facility's roof as well as construction and installation of four electric car charging stations in support of the Citywide Public Health and Safety Facility & Resiliency Improvements project; and authorizing the execution of a 20-year lease agreement for the project.