



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Item Number: 6

Agenda Date: March 27, 2024

In Control: Tax Increment Reinvestment Zone No. 09 - Houston Street Meeting

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Funding agreement related to exterior repairs at the Alameda Theater building

SUMMARY:

Approving a Chapter 380 Grant Agreement with the Alameda Theater Conservancy for stucco repairs in the amount of \$310,000.

BACKGROUND INFORMATION:

The Alameda Theater was designed by Texas architect N. Straus Nayfach and completed in 1949. For decades, the theater was a beloved home for the San Antonio community to see and participate in Spanish language film, variedades, and the performing arts. The Alameda closed in the late 1980s, and the City of San Antonio acquired the property in 1994.

In 2017, the City of San Antonio entered into a Master Lease Agreement with the Alameda Theater Conservancy (ATC) for management of the Alameda Theater facility, including its restoration and

future operations of the Theater.

Since then, the City of San Antonio, Bexar County, Texas Public Radio (TPR) and La Familia Cortez have worked diligently to restore the theater as a venue for Latino arts and culture. The parties contributed a combined \$12.6 million to redevelop the stage house adjacent to the Alameda Theater as the new headquarters for Texas Public Radio. Texas Public Radio officially began operations in the new headquarters in March 2020, and the first phase of San Pedro Creek Culture Park opened adjacent to the complex in October 2022. After a careful planning and design process punctuated by impacts of the COVID-19 pandemic, the Alameda Theater Conservancy developed a \$52 million budget for the complete restoration of the theater.

The City of San Antonio has contributed \$12.7 million to the theater project through the Houston Street TIRZ, while Bexar County has contributed \$12.2 million. Another \$20 million is expected to be earned through state and federal historic tax credits and New Markets Tax Credits. The remaining project funds are actively being raised through a charitable campaign.

This request pertains to the City's obligations as landlord in the Master Lease, and does not add additional funding to the restoration project. Section 12.1 of the Master Lease requires the City to maintain or cause to be maintain all portions of the building walls and exterior facades.

ISSUE:

During the Alameda Theater restoration project, the project team observed signs of existing damage and deterioration to the exterior stucco of the building. The ATC hired engineering consultants to assess the stucco façade on the eastern wall of the Theater, facing San Pedro Creek. The ATC was informed that large portions of the stucco appeared to be "delaminating," or separating from the building. This is likely caused by the original method of application and decades of exposure to the elements. No construction related to the theater restoration project is occurring on these external facades, and none is planned.

The consultants conducted a field analysis with multiple tests across the façade, and confirmed that the vast majority of the stucco is separating from the eastern wall. Additional visual investigations confirmed that the issue persists to differing degrees on other building surfaces. The eastern wall and the rooftop elevator penthouse are in immediate need of repair, while the stucco on the Houston Street façade is in satisfactory condition.

Exterior repairs to the Alameda Theater building are the responsibility of the City under the Master Lease. This action will authorize the Houston Street TIRZ to reimburse the Alameda Theater Conservancy for an amount not to exceed \$310,000 for stucco repairs.

FISCAL IMPACT:

There is no fiscal impact to the City of San Antonio. Funding would be available through the City's increment in the Houston Street TIRZ.

ALTERNATIVES:

The City may elect to identify alternative funding sources to fund the necessary building repairs, as required by the Master Lease.

RECOMMENDATION:

Staff recommends approval of a funding agreement to pay for necessary exterior repairs in an amount not to exceed \$310,000.