

REQUEST FOR COUNCIL ACTION

TO: Mayor via City Secretary

RCA #

SUBJECT: Ordinance relating to the Houston Amateur Sports Park; approving and authorizing the First Amendment to Ground Lease between the City and the Houston Amateur Sports Park LGC, Inc.; appropriating the sum of \$3,225,000.00 out of the Parks Consolidated Construction Fund and approving and authorizing a Reimbursement Agreement for Public Improvements ("Reimbursement Agreement") between the City and Strikers' Stadium, LP

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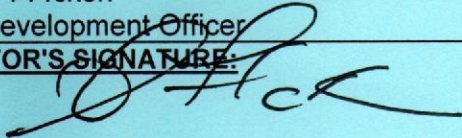
FROM: (Department or other point of origin):

Andrew F. Icken
Chief Development Officer

Origination Date

Agenda Date

DIRECTOR'S SIGNATURE:



Council Districts affected:

D

For additional information contact:

Tom Davis
832-383-1044

Date and identification of prior authorizing Council Action:

Res. No. 2010-58 (11/9/10); Ord. No. 2010-0891 (11/17/10); Ord. No. 2014-529 (5/28/14)

RECOMMENDATION: (Summary)

City Council adopt an ordinance approving and authorizing the First Amendment to Ground Lease between the City and the Houston Amateur Sports Park LGC, Inc.; appropriating the sum of \$3,225,000.00 out of the Parks Consolidated Construction Fund and approving and authorizing a Reimbursement Agreement for Public Improvements ("Reimbursement Agreement") between the City and Strikers' Stadium, LP

Amount of Funding: \$3,225,000.00

SOURCE OF FUNDING:

General Fund Grant Fund Enterprise Fund
 Other (Specify): Parks Consolidated Construction Fund (Fund 4502)

SPECIFIC EXPLANATION:

The City owns a tract of land comprised of 87.74 acres, more or less, which was platted as Unrestricted Reserve A of the Houston Amateur Sports Park Subdivision ("Unrestricted Reserve A"). By Resolution No. 2010-58, passed and approved by City Council of on November 9, 2010, the City authorized the creation of Houston Amateur Sports Park LGC, Inc. ("HASP LGC") to construct, manage and operate a regional recreational sports field and training facility on Unrestricted Reserve A for public and community use. Pursuant to Ordinance No. 2010-0891, passed and adopted by City Council on November 17, 2010, the City, as the landlord, and HASP LGC, as the tenant, entered into that certain Ground Lease (the "Lease"), dated effective June 24, 2011, covering Unrestricted Reserve A, for the purpose of developing said land into the Houston Amateur Sports Park (the "Sports Park"), an amateur sports park consisting of various sports fields and athletic facilities intended to host sports events, athletic camps and similar athletic activities.

The City has subsequently acquired an additional 32.21 acres of land, more or less (the "32.2 Acre Tract"), adjacent to the Sports Park. The City and HASP LGC now intend to enter into a First Amendment to the Lease (the "First Amendment"). The First Amendment will add the 32.2 Acre Tract to the premises covered by the Lease and authorize a sublease between HASP LGC, as the sub-landlord, and Strikers' Stadium, LP (the "Strikers"), as the sub-tenant, covering approximately 41 acres of the Sports Park (the "Sub-Ground Lease"), on which the Strikers will develop, operate and maintain (i) an outdoor facility for the playing of rugby and other sports and (ii) an adjacent surface parking lot for use by the public (collectively, the "Rugby Facilities").

Pursuant to the Sub-Ground Lease, as part of the development of the Rugby Facilities, the Strikers will construct, install or purchase certain public improvements within the portion of the Sports Park that is subject to the Sub-Ground Lease. These public improvements include a public parking lot, access roads, and water and sanitary sewer utilities (the "Reimbursable Public Improvements"). The City will reimburse the Strikers for the costs of the Reimbursable Public Improvements pursuant to the terms and conditions of a separate reimbursement agreement between the City and the Strikers (the "Reimbursement Agreement").

On January 26, 2018, the Board of Directors of HASP LGC approved the First Amendment and the Sub-Ground Lease.

The Mayor's Office of Business Opportunity has established an MWBE goal of 14.2% of the value of the contract for the construction of the Reimbursable Public Improvements and the Rugby Facilities.

The Administration recommends approval of this ordinance to (i) approve the First Amendment, (ii) allocate \$3,225,000.00 out of the Parks Consolidated Construction Fund for the Reimbursable Public Improvements, and (iii) approve the Reimbursement Agreement.

Fiscal Note:

No significant Fiscal Operating impact is anticipated as a result of this project.

cc: Marta Crinejo, Agenda Director
Anna Russell, City Secretary
Ronald Lewis, City Attorney
Gary Dzierlenga, Senior Assistant City Attorney

REQUIRED AUTHORIZATION

Other Authorization:

Other Authorization:

Other Authorization: