

AN ORDINANCE 2017-12-14-1002

**AUTHORIZING AN AMENDMENT TO A RIVER WALK PATIO
LEASE WITH 155 E. COMMERCE HOTEL L.L.C. TO EXTEND
THE CONSTRUCTION PHASE OF THE LEASE THROUGH
DECEMBER 31, 2020 AND REVISE THE START DATE FOR
USE OF THE RIVER WALK PATIO TO JANUARY 1, 2021.**

* * * * *

WHEREAS, in 2013, 155 E. Commerce Hotel LLC (formerly Chilton Restoration LLC) purchased the properties at 155 and 161 E. Commerce Street; and

WHEREAS, on January 21, 2015, the Historic Design & Review Commission granted conceptual approval of a proposed 18 story hotel at the site, which overlooks the River Walk; and

WHEREAS, on June 18, 2015, City Council approved a five year lease with four renewal options to allow the hotel's use of 1,361 square feet of River Walk patio space, beginning upon completion of the hotel but no later than January 1, 2018; and

WHEREAS, site work began in late 2016 and demolition was completed in 2017; however, vertical construction has been delayed due to re-engineering of the foundation; and

WHEREAS, as a result, the original completion date of December 31, 2017 will not be met; therefore, the use of the River Walk patio will not begin January 1, 2018; and

WHEREAS, the proposed amendment will revise the construction completion date to December 31, 2020, and revise the start date for use of the River Walk patio to January 1, 2021; **NOW THEREFORE:**

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

SECTION 1. The City Manager or her designee, or the Director of the Center City Development and Operations or his designee, is authorized to execute an amendment to the River Walk Lease Agreement with Commerce Hotel LLC. to extend the construction phase of the lease through December 31, 2020 and revise the start date for use of the River Walk patio to January 1, 2021. A copy of the amendment is attached hereto and incorporated herein for all purposes as **Attachment I**.


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SECTION 2. Funds generated by this ordinance will be deposited into the River Walk Capital Improvements Fund, OR-00001-01-01-01, GL 4407712.


SECTION 3. 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 allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 4. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 14th day of December, 2017.


M A Y O R
Ron Nirenberg

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney

Agenda Item:	19 (in consent vote: 4, 6, 7, 9, 10, 11, 12, 16, 18A, 18B, 18C, 19, 20, 23, 25, 26, 27, 28, 29, 30, 32, 33, 35, 38, 39, 40)						
Date:	12/14/2017						
Time:	09:20:27 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing an amendment to a River Walk patio lease with 155 E. Commerce Hotel LLC. to revise the start date for use of the River Walk patio to January 1, 2021. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development & Operations]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x				
William Cruz Shaw	District 2		x			x	
Rebecca Viagran	District 3		x				x
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x				
Clayton H. Perry	District 10		x				

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ATTACHMENT I

**First Amendment to the River Walk Lease Agreement
(155 E. Commerce LLC, an Affiliated Company of Chilton Restoration, LLC)**

This First Amendment to the River Walk Lease Agreement is between 155 E. Commerce Hotel LLC, an Affiliated Company of Chilton Restoration, LLC. ("Lessee") and the City of San Antonio ("CITY"), pursuant to the Ordinance Authorizing the First Amendment.

1. Identifying Information.

Lessee: 155 E. Commerce Hotel LLC
(155 E. Commerce Hotel LLC is an Affiliated Company
of original lessee, Chilton Restoration, LLC)

Lessee's Address: 5111 Broadway, San Antonio, TX 78209

Lease: River Walk lease agreement between the City of San Antonio ("CITY") and 155 E. Commerce Hotel LLC, an Affiliated Company of Chilton Restoration, LLC ("Lessee") dated June 18, 2015 and approved by Ordinance 2015-06-18-0555

**Ordinance Authorizing
Original Lease:** 2015-06-18-0555

**Ordinance Authorizing
First Amendment:**

2. Amendments:

The Lease Agreement is amended as indicated in the sections below.

3. Term.

Phase 1, Construction Phase shall commence October 2, 2015 and will terminate no later than December 31, 2020. Phase 2, Operating Term, shall commence January 1, 2021 or on the first day of commercial operations, whichever date is earlier. The Operating Term shall last 5 years, terminating on December 31, 2025 or the day 5 years subsequent to the commencement of operations, whichever day is earlier.

5. No Default.

5.1 Neither City nor Lessee is in default under the Lease, and neither party is aware of a cause of action against the other arising out of or relating to the period before this renewal.

6. Same Terms and Conditions.

6.1 This renewal instrument is a fully integrated statement of the modifications to the Lease. Except as expressly modified by this amendment, the Lease remains a comprehensive statement of the rights and obligations of City and Lessee. City and Lessee reaffirm the Lease as modified by this agreement and represent to each other that, except as expressly stated in this instrument, no written right or obligation of either party has been waived such that it would impair exercise of the right or enforcement of the obligation on a future occasion.

In Witness Whereof, the parties have caused their representatives to set their hands.

City

Lessee

City of San Antonio, a Texas municipal corporation

155 E. Commerce Hotel LLC,
an Affiliated Company of Chilton Restoration, LLC

By: _____

By: _____

Printed
Name: _____

Printed
Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Attest:

City Clerk

Approved as to Form:

City Attorney