

AN ORDINANCE 2018-03-29-0198

AUTHORIZING THE AMENDMENT OF A RIVERWALK LEASE AGREEMENT WITH JCS, ACQUISITION, INC. D/B/A JOE'S CRAB SHACK EXTENDING THE TERM THROUGH NOVEMBER 30, 2022 FOR CONTINUED USE OF 98.87 SQUARE FEET OF RIVER WALK PATIO SPACE.

* * * *

WHEREAS, ordinance 2012-08-02-0549 authorized an Agreement with Joe's Crab Shack-Texas, Inc. (a subsidiary of the Ignite Restaurant Group) for use of 98.87 square feet of River Walk Patio Space; and

WHEREAS, on July 23, 2013, Ignite Restaurant Group notified the City that Joe's Crab Shack-Texas, Inc. had merged with Crab Addison, Inc. and on January 10, 2017, Ignite Restaurant Group notified the City that Crab Addison, Inc. was converted to Joe's Crab Shack, LLC; and

WHEREAS, Joe's Crab Shack LLC's Agreement was to expire on December 31, 2017 so in May 2017, staff began negotiations with Joe's Crab Shack, LLC to amend and extend their Agreement through November 30, 2022 to be in-line with the expiration of their interior lease space; and

WHEREAS, this amendment was to be brought forward for City Council Consideration in October 2017; however, on June 6, 2017 the Ignite Restaurant Group filed for Chapter 11 bankruptcy; and

WHEREAS, on August 17, 2017, Landry's Inc. acquired all of Ignite Restaurant Groups assets; and

WHEREAS, shortly thereafter Landry's, Inc. contacted the City expressing interest in finalizing the amendment to extend the Joe's Crab Shack Agreement as initially planned; and

WHEREAS, this ordinance will authorize an Amendment to the Agreement with JCS Acquisitions, Inc. (a subsidiary of Landry's Inc.) d/b/a Joe's Crab Shack to extend the Agreement's term through November 30, 2022; **NOW THEREFORE:**

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

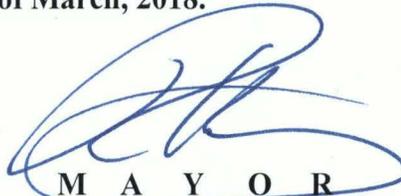
SECTION 1. The City Manager or her designee, or the Director of the Center City Development and Operations Department or her designee, is authorized to execute the Amendment to the Agreement with JCS Acquisition, Inc. (a subsidiary of Landry's Inc.) d/b/a Joes's Crab Shack to extend the Agreement's term through November 30, 2022. The First Amendment of Riverwalk Lease Agreement, in substantially final form, is attached hereto and incorporated herein for all purposes as **Attachment I.**

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SECTION 2. 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.

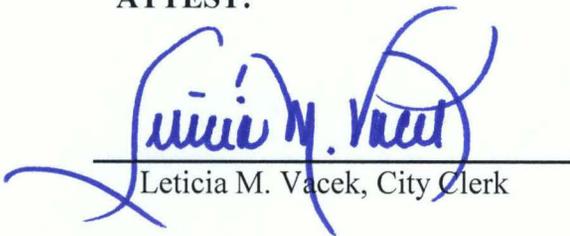
SECTION 3. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 29th day of March, 2018.



M A Y O R
Ron Nirenberg

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney

Agenda Item:	14 (in consent vote: 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 18, 19, 21, 22, 23, 24, 25, 28A, 28B)						
Date:	03/29/2018						
Time:	09:47:34 AM						
Vote Type:	Motion to Approve						
Description:	Ordinance approving the Amendment of a Riverwalk Lease Agreement with JCS, Acquisition, Inc. (d/b/a Joe's Crab Shack) extending the term through November 30, 2022 for 98.87 square feet of River Walk patio space. [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				x
William Cruz Shaw	District 2		x			x	
Rebecca Viagran	District 3		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 of Riverwalk Lease Agreement

(JCS Acquisition, Inc. d/b/a Joes' Crab Shack)

This First Amendment of the Riverwalk Lease Agreement is between Lessee and the City of San Antonio ("Lessor"), pursuant to the Ordinance Authorizing Renewal.

1. Identifying Information.

Lessee: JCS Acquisition, Inc. d/b/a Joe's Crab Shack

Lessee's Address: 212 College Street #100, San Antonio, Texas

Lease: River Walk Patio Lease between Lessor and Lessee pertaining to 98.87 square feet of patio space adjacent the San Antonio River.

Ordinance Authorizing

Original Lease: 2012-08-02-0549

Ordinance Authorizing

First Renewal:

Beginning of First

Renewal Term: January 1, 2018

Expiration of First

Renewal Term: November 30, 2022

2. Defined Terms.

2.1 All terms used in this instrument and not otherwise defined herein but defined in the Lease or any previous amendment to it have the meanings previously ascribed to them.

3. Term.

3.1 The term of the lease is extended from the Beginning of First Renewal Term through and including the Expiration of First Renewal Term.

3.2 LESSEE may terminate this Agreement with sixty (60) day written notice to CITY. Notwithstanding the preceding, if at any time during renewal period, LESSEE's property lease for adjacent property out of which restaurant is operated is terminated by the property owner(s), this Agreement shall automatically terminate.

4. Rental.

Section 4.1 of the Agreement is deleted in its entirety and replaced with the following:

4.1 The rental may be paid in one lump sum in advance or in monthly installments in advance on the first day of each month in accordance with the following payment schedule:

4.1.1 For January 1, 2018 – December 31, 2018:
\$3,215.28 per term or \$267.94 per month

4.1.2 For January 1, 2019 – December 31, 2019:
\$3,298.32 per term or \$274.86 per month

4.1.3 For January 1, 2020 – December 31, 2020:
\$3,381.36 per term or \$281.78 per month

4.1.4 For January 1, 2021 – December 31, 2021:
\$3,464.40 per term or \$288.70 per month

4.1.5 For January 1, 2022 – November 30, 2022:
\$3,251.82 per term or \$295.62 per month

5. No Default.

5.1 Neither Lessor 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 renewal, the Lease remains a comprehensive statement of the rights and obligations of Lessor and Lessee. Lessor 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.

7. Public Information.

7.1 Lessee acknowledges that this instrument is public information within the meaning of Chapter 552 of the Texas Government Code and accordingly may be disclosed to the public. Nothing in this agreement waives an otherwise applicable exception to disclosure.

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

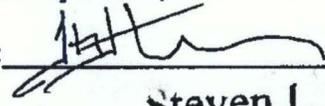
Lessor

Lessee

City of San Antonio, a Texas municipal corporation

JCS Acquisition, Inc.

By: _____

By:  _____

Printed Name: _____

Printed Name and Title: **Steven L. Scheinthal**
Vice President

Title: _____

Date: November 3, 2017

Date: _____

Attest:

Legal LF

City Clerk

Approved as to Form:

City Attorney