

AN ORDINANCE 2015-09-17-0800

AUTHORIZING THE EXECUTION OF A FIVE-YEAR RENEWAL AND AMENDMENT OF LEASE AGREEMENT BETWEEN BURKHART, SHANNON & HOLMES, A TEXAS GENERAL PARTNERSHIP, DBA WASHINGTON PLACE, AND THE CITY OF SAN ANTONIO, FOR THE CONTINUED USE OF 8,009 SQUARE FEET OF OFFICE SPACE LOCATED AT 215 SOUTH SAN SABA, SUITES 107 AND 111, LOCATED IN COUNCIL DISTRICT 1, FOR USE BY THE SAN ANTONIO FIRE DEPARTMENT.

* * * * *

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

SECTION 1. The City Manager and her designee, severally, are authorized and directed to execute and deliver on behalf of the City a lease renewal agreement substantially in the form of **Attachment I** which is incorporated by reference for all purposes as if fully set forth. The City Manager and designee, severally, should take all other actions reasonably necessary or convenient to effectuate the transaction, including executing and delivering all ancillary instruments and agreements conducive to effectuating the transaction.

SECTION 2. Funding for this Ordinance in the amount of \$130,807.32 is contingent upon approval of the Fiscal Year 2016 Budget for Fund 11001000, Cost Center 2015010005 and General Ledger 5206010.

SECTION 3. If approved by City Council, payment not to exceed the budgeted amount is authorized to Burkhardt, Shannon & Holmes, DBA Washington Place and should be encumbered with a purchase order.

SECTION 4. Future funding through the term of this lease agreement is contingent upon City Council approval of subsequent fiscal year budgets.

SECTION 5. 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 6. This Ordinance is effective immediately upon receipt of eight affirmative votes; otherwise, it is effective 10 days after passage.

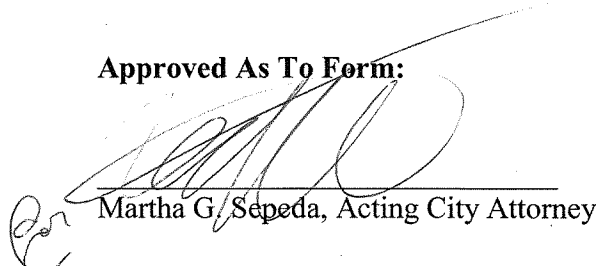
PASSED AND APPROVED this 17th day of September, 2015.


M A Y O R
Ivy R. Taylor

Attest:


Leticia M. Vacek, City Clerk

Approved As To Form:


Martha G. Sepeda, Acting City Attorney

Agenda Item:	25 (in consent vote: 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 20, 22A, 22B, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37, 38, 40, 41, 42, 43)						
Date:	09/17/2015						
Time:	10:02:11 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing the execution of a five-year Renewal and Amendment of Lease Agreement between Washington Place Joint Venture, a Texas general partnership and the City of San Antonio, for the continued use of 8,009 square feet of office space located at 215 South San Saba, Suites 107 and 111, located in Council District 1, for use by the San Antonio Fire Department. [Lori Houston, Assistant City Manager and Acting Director, Center City Development & Operations]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x				x
Alan Warrick	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x			x	
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

ATTACHMENT 1

Renewal and Amendment of Lease Agreement (Washington Place/SAFD)

1. Identifying Information.

**Ordinance Authorizing
Renewal and Extension:**

Landlord: Burkhart, Shannon & Holmes, DBA Washington Place

Landlord's Address: c/o Spencer Property Management, 5825 Callaghan Road, Suite 101, San Antonio, Texas 78228-1124

**Landlord's Address for
Payment of Rent:** Burkhart, Shannon & Holmes, DBA Washington Place
c/o Barbara O'Riley
211 West Camellia Avenue
McAllen, TX 78501

Tenant: City of San Antonio

Tenant's Address: P.O. Box 839966, San Antonio, Texas 78283-3966 (Attention: Director, Center City Development & Operations Department)

Lease: Lease Agreement between Landlord and Tenant pertaining to approximately 5,594 rentable square feet, located in Suite 111, to include the exclusive use of the abutting men's restroom, and amended to add approximately 2,415 rentable square feet, located in Suite 107, on the first floor of a building known as the Washington Place Office Building (hereinafter referred to as "the Building") located at 215 S. San Saba, San Antonio, Bexar County, Texas 78207 as graphically depicted on Exhibit A, which is incorporated by reference for all purposes as if fully set forth.

**Ordinance Authorizing
Original Lease:** 2010-09-09-0782

Beginning of Renewal Term October 1, 2015

Expiration of Renewal Term September 30, 2020

2. Defined Terms.

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

3. Renewal, Amendment and Extension.

The Original Lease is amended to add Ste. 107 and approximately 2,415 square feet to the leased premises consisting of Ste. 111 and 5,594 square feet for a total square footage of 8,009 square feet. The term of the lease is extended from the Beginning of Renewal Term through and including the Expiration of Renewal Term.

4. Rent.

From the Beginning of the Renewal Term to the Expiration of the Renewal Term, Tenant must pay to Landlord the following rent to at the Landlord's Address for Payment of Rent at the intervals and in the manner described in the Original Lease for the payment of rent.

Period	Monthly Rent
Oct. 1, 2015 thru Sept. 30, 2016	\$10,900.61
Oct. 1, 2016 thru Sept. 30, 2018	\$11,379.65
Oct. 1, 2018 thru Sept. 30, 2020	\$11,880.78

5. Renewal.

5.01. Tenant may renew this Lease again for one 5-year term by giving Landlord written notice no later than May 31, 2020. The renewal provided for in this section 5 is on the same terms and conditions as the renewal effected by this instrument, except for rent. Renewal must be approved by City Council.

5.02. Rent during the renewal provided for by this section 5 is:

Additional Renewal Term	
Period	Monthly Rent
Oct. 1, 2020 thru Sept. 30, 2021	\$11,808.78
Oct. 1, 2021 thru Sept. 30, 2023	\$12,399.22
Oct. 1, 2023 thru Sept. 30, 2025	\$13,019.18

6. Change in Base Year.

The base year for calculating increases in real estate ad valorem taxes as described in section 3.2 of the Original Lease is changed from 2010 to 2015. Tenant's Pro Rata Share of the real estate ad valorem taxes is 32.6%. Landlord further agrees that Tenant owes no back taxes.

7. Improvements to Premises.

No later than October 31, 2015, Landlord, at Landlord's sole cost and expense, must complete the following improvements to the Leased Premises in coordination with and to the satisfaction of Tenant: repaint the workout room, 5 doors and frames; install a new wall and door; install new wall guard in medical room; and install exterior signage.

8. Tenant's Early Termination Right.

Tenant may terminate this Lease on, or any time after September 30, 2018 provided Tenant has delivered to Landlord written notice of its' intent to terminate at least 120 days before the proposed termination date. If Tenant exercises this termination right, Tenant agrees to reimburse Landlord for improvements to the Premises in accordance with this reimbursement schedule as follows:

Tenant Termination – Reimbursement Schedule			
Month of Termination	Reimbursement Amount	Month of Termination	Reimbursement Amount
October 2018	\$1,728.00	October 2019	\$864.00
November 2018	\$1,656.00	November 2019	\$792.00
December 2018	\$1,584.00	December 2019	\$720.00
January 2019	\$1,512.00	January 2020	\$648.00
February 2019	\$1,440.00	February 2020	\$576.00
March 2019	\$1,368.00	March 2020	\$504.00
April 2019	\$1,296.00	April 2020	\$432.00
May 2019	\$1,224.00	May 2020	\$360.00
June 2019	\$1,152.00	June 2020	\$288.00
July 2019	\$1,080.00	July 2020	\$216.00
August 2019	\$1,008.00	August 2020	\$144.00
September 2019	\$936.00	September 2020	\$72.00

9. No Default.

Neither Landlord nor Tenant 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 and extension.

10. Same Terms and Conditions.

This renewal and extension instrument is a fully integrated statement of the modifications to the Lease. Except as expressly modified by this renewal and extension, the Lease remains a comprehensive statement of the rights and obligations of Landlord and Tenant. Landlord and Tenant reaffirm the Lease as modified by this agreement. Landlord and Tenant reaffirm the Lease as modified by this agreement and represent to each other that 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.

11. Public Information.

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.

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

City of San Antonio, a Texas municipal corporation

Burkhart, Shannon & Holmes, a Texas general partnership, DBA Washington Place

By: _____

By: _____

Printed
Name: _____

Printed
Name: Max Burkhardt

Title: _____

Title: General Partner

Date: _____

Date: _____

Attest:

City Clerk

Approved as to Form:

City Attorney

EXHIBIT A: Description of Premises

