

**AN ORDINANCE 2016-03-31-0222**

**AUTHORIZING THE RENEWAL AND AMENDMENT OF EXISTING LEASE AGREEMENTS BETWEEN RIVERVIEW TOWER PARTNERS, LTD., AND THE CITY OF SAN ANTONIO FOR THE CONTINUED USE OF OFFICE SPACE BY MULTIPLE CITY DEPARTMENTS AND THE NEW OCCUPANCY BY THE METROPOLITAN HEALTH DISTRICT AT THE RIVERVIEW TOWER BUILDING AT 111 SOLEDAD STREET FOR A TERM ENDING DECEMBER 31, 2021 IN CITY COUNCIL DISTRICT 1.**

\* \* \* \* \*

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

**SECTION 1.** The City Manager or her designee, severally, is hereby authorized to renew and amend an existing lease agreement between the multiple City departments of the City of San Antonio and Riverview Tower Partners, Ltd. for approximately 53,060 square feet of office space and adding approximately 23,222 square feet of office space and 20 parking spaces to be used by the Metropolitan Health District (Health). A copy of the lease, in substantially final form, is attached hereto and incorporated herein for all purposes as **Attachment I**.

**SECTION 2.** Funding for this ordinance in the amount of \$728,865.86 is available as part of the Fiscal Year 2016 budget per the table below:

| <b>Amount</b>        | <b>General Ledger</b> | <b>Cost Center</b> | <b>Fund</b> |
|----------------------|-----------------------|--------------------|-------------|
| \$ 175,469.38        | 5206010               | 0707100003         | 71001000    |
| \$ 444,369.07        | 5206010               | 8002320001         | 11001000    |
| \$ 26,586.27         | 5206010               | 3506010001         | 76001000    |
| \$ 30,089.97         | 5206010               | 0707100002         | 11001000    |
| \$ 11,761.17         | 5206010               | 3617010001         | 11001000    |
| \$ 6,480.00          | 5201040               | 0707100003         | 71001000    |
| \$ 3,240.00          | 5201040               | 8002320001         | 11001000    |
| \$ 19,440.00         | 5202025               | 8002320001         | 11001000    |
| \$ 2,430.00          | 5201040               | 0707100002         | 11001000    |
| \$ 9,000.00          | 5203090               | 3617010001         | 11001000    |
| Total:<br>728,865.86 |                       |                    |             |

**SECTION 3.** Payment not to exceed the budgeted amount is authorized to Riverview Tower Partners, Ltd. and should be encumbered with a purchase order.

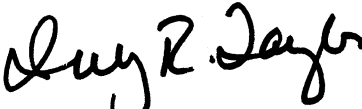
**SECTION 4.** Future funding through the term of this lease agreement is contingent upon City Council approval of subsequent fiscal year budgets.

**SECTION 5.** The amount of \$137,060.00 is appropriated for this ordinance in Fund 76001000, Cost Center 3506010002, General Ledger 5201040 and the Fiscal Year 2016 budget is amended to reflect this change.


**SECTION 6.** 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 7.** This Ordinance is effective immediately upon receipt of eight affirmative votes; otherwise, it is effective 10 days after passage.


**PASSED AND APPROVED** this 31<sup>st</sup> day of March, 2016.

  
M A Y O R  
Ivy R. Taylor

**ATTEST:**

  
\_\_\_\_\_  
Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Martha G. Sepeda, Acting City Attorney

|                     |   |                    |            |            |                |               |               |
|---------------------|---|--------------------|------------|------------|----------------|---------------|---------------|
| <b>Agenda Item:</b> | 12 ( in consent vote: 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24 )   |                    |            |            |                |               |               |
| <b>Date:</b>        | 03/31/2016  |                    |            |            |                |               |               |
| <b>Time:</b>        | 09:12:22 AM   |                    |            |            |                |               |               |
| <b>Vote Type:</b>   | Motion to Approve   |                    |            |            |                |               |               |
| <b>Description:</b> | An Ordinance authorizing the renewal and amendment of existing lease agreements between Riverview Tower Partners, Ltd., and the City of San Antonio for the continued use of office space by multiple City Departments and the new occupancy by the Metropolitan Health District at the Riverview Tower Building at 111 Soledad Street for a term ending December 31, 2021 in City Council District 1; and amending the Facility Services Fund Budget to account for one-time expenses associated with relocating the Health Department to Riverview Tower Building. [Lori Houston, Assistant City Manager; John Jacks, Interim Director, Center City Development & Operations] |                    |            |            |                |               |               |
| <b>Result:</b>      | Passed  |                    |            |            |                |               |               |
| <b>Voter</b>        | <b>Group</b>  | <b>Not Present</b> | <b>Yea</b> | <b>Nay</b> | <b>Abstain</b> | <b>Motion</b> | <b>Second</b> |
| Ivy R. Taylor       | Mayor   |                    | x          |            |                |               |               |
| Roberto C. Treviño  | District 1  |                    | x          |            |                |               |               |
| Alan Warrick        | District 2  |                    | x          |            |                |               |               |
| Rebecca Viagran     | District 3  |                    | x          |            |                |               | x             |
| Rey Saldaña         | District 4  |                    | x          |            |                |               |               |
| Shirley Gonzales    | District 5  |                    | x          |            |                |               |               |
| Ray Lopez           | District 6  |                    | x          |            |                |               |               |
| Cris Medina         | District 7  |                    | x          |            |                |               |               |
| Ron Nirenberg       | District 8  |                    | x          |            |                |               |               |
| Joe Krier           | District 9  |                    | x          |            |                |               |               |
| Michael Gallagher   | District 10   |                    | x          |            |                | x             |               |

# 2016 Combined Agreement Relating to Existing Leases (Riverview Towers/COSA)

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## *Background:*

Tenant leases multiple suites from Landlord in the Riverview Tower office building located at 111 Soledad, San Antonio, Texas.

Landlord and Tenant wish to make modifications to several of its leases to include various amendments, renewals and terminations with Landlord in one document.

This instrument is intended to memorialize the agreement of Landlord and Tenant regarding the affected leases.

## *Rights and Obligations:*

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**1. Parties and General Information.**

**Authorizing Ordinance:**

**Landlord:** Riverview Tower Partners, Ltd.

**Landlord's Address:** 111 Soledad, San Antonio, Texas 78205

**Tenant:** City of San Antonio

**Tenant's Address:** P.O. Box 839966, San Antonio, Texas 78283-3966  
(Attention: Director, Building and Equipment Services)

**Effective Date:** The effective date of the Authorizing Ordinance

**Commencement Date:** January 1, 2016

**Renewal Term:** 72 Months

**2. 2<sup>nd</sup> Extension and Amendment of Finance Lease.**

**2.01. Identification of and General Terms of Lease.**

**Lease:** Office Lease (Riverview Tower/Finance Department) between Landlord and Tenant, relating to approximately 23,900 rentable square feet, consisting of all of the fourth and fifth floors, authorized by the Ordinance Authorizing Lease. Premises area has been restated as 29,848 rentable square feet.

**Ordinance Authorizing Original Lease:** 2006-11-30-1349

**1st Extension:** 2012 Combined Agreement Relating to Existing Leases (Riverview Towers/COSA) relating to four leases between Landlord and Tenant for space in the Riverview Towers office building located at 111 Soledad, San Antonio, Texas 78205 and authorized by the Ordinance Authorizing 1<sup>st</sup> Extension. Extends the Lease to expire on May 31, 2016. All other terms

remained the same including rent.

**Ordinance Authorizing 1st  
Extension:** 2013-02-21-0126

**1st Amendment:** Amendment to Lease Agreement between Landlord and Tenant pertaining to the expansion of the premises to include approximately 2,360 rentable square feet of space for print-shop related operations.

**Ordinance Authorizing 1st  
Amendment:** 2013-12-19-0907

## **2.02. Defined Terms.**

All terms not otherwise defined in this amendment have the meanings ascribed to them in Lease and all previous renewals and amendments to it.

## **2.03. Lease Amendment.**

This lease is amended to include Suites 1000 (14,920 square feet) and 600 (8,302 square feet) and the IT closet on the 6<sup>th</sup> floor to the leased premises. The new combined total square footage of the Finance Department Lease Agreement is 55,430 square feet which includes Suite 150 (2,360 Square feet), Suite 400 (14,924 square feet), Suite 500 (14,924 square feet), Suite 600 (8,302 square feet), Suite 1000 (14,920 square feet) plus the 6<sup>th</sup> floor IT closet space. See Attachment A for Suites 1000 and 600 floor plans.

## **2.04. Extension of Term, Early Lease Termination.**

2.04.01. The term of Lease for suites 150, 400 and 500 commences January 1, 2016. The term of Lease commences May 1, 2016 for suite 600 and June 1, 2016 for suite 1000. The term of Lease for all suites ends December 31, 2021.

2.04.02. Tenant may terminate any or all of the suites of Lease any time after 9/30/2019 on not less than 150-days prior written notice.

## **2.05. Lease Rent.**

2.05.01. Lease Base Rent during the Renewal Term shall follow the following table:

| <i>Ste &amp; Period</i>            | <i>Annual Rent per<br/>Square Foot</i> | <i>Monthly Base<br/>Rent</i> |
|------------------------------------|--|------------------------------|
| Ste 400 & 500<br>1/1/16 – 12/31/21 | \$17.00                                | \$42,284.67                  |

|                                      |         |             |
|--------------------------------------|---------|-------------|
| <b>Ste 150</b><br>1/1/16 – 2/28/17   | \$17.00 | \$3,343.33  |
| 3/1/17 – 12/31/21                    | \$18.00 | \$3,540.00  |
| <b>Ste 600</b><br>5/1/16 – 12/31/21  | \$17.00 | \$11,761.17 |
| <b>Ste 1000</b><br>6/1/16 – 12/31/21 | \$17.00 | \$21,136.66 |

2.05.02. Tenant must pay Rent at the time and place required by Lease from the Beginning of Renewal Term through and including the End of Renewal Term.

**2.06. Further Renewal of Lease.**

2.06.01. If Tenant is not then in default under Lease, Tenant may renew the Lease on not less than 120 days prior written notice, for a term of up to two additional years for any or all of the suites, extending the term through 12/31/2023 at \$18 per square foot. Nothing herein shall be interpreted to waive City Council approval.

2.06.02. Lease Base Rent during this further Renewal Term is calculated for all suites and both years using the following table:

| <i>Ste &amp; Period</i>                        | <i>Annual Rent per Square Foot</i> | <i>Monthly Base Rent</i> |
|--|------------------------------------|--------------------------|
| <b>Ste 400 &amp; 500</b><br>1/1/22 – 12/31/23  | \$18.00                            | \$44,772.00              |
| <b>Ste 150</b><br>1/1/22 – 12/31/23            | \$18.00                            | \$3,540.00               |
| <b>Ste 600 &amp; 1000</b><br>1/1/22 – 12/31/23 | \$18.00                            | \$34,833.00              |

**2.07. Suites 600 and 1000 Occupancy Related Allowance.**

Landlord agrees to provide Tenant with an allowance in the amount of \$63,861.00 in order to assist with occupancy related expenses. Landlord, at Tenant's request, will pay vendors directly for costs associated with making the Premises ready for Tenant's occupancy and moving expenses related to Tenants occupancy of the Premises.

**2.08. Suites 600 and 1000 Rent Credit.**

Landlord agrees to provide Tenant with a rent credit in the amount of \$131,591.33 (4 month's rent) for Suites 600 and 1000.

**2.09. Landlord Renovations.**

Landlord agrees to renovate the men's and women's restrooms located on the 10<sup>th</sup> floor to a finish-out level equal to the restrooms on the 7<sup>th</sup> floor no later than May 1, 2016. The current size of the existing 10<sup>th</sup> floor restrooms will not be modified.

**2.10. Parking Allowance.**

Landlord agrees provide Tenant with 13 parking spaces at \$90.00 each per month, separate from Base rent.

**2.11. Base Year.**

The base year for operating expenses for Suites 600 and 1000 is 2016.

**3. 2<sup>nd</sup> Extension of Purchasing – IGR - 311 Lease Term.**

**3.01. Identification of and General Terms of Lease.**

**Lease:** Office Lease (Riverview Tower/Riverview Tower/Purchasing – IGR-311) between Landlord and Tenant, relating to approximately 20,852 rentable square feet consisting of Suites 1100 and 1600, located at 111 Soledad, San Antonio, Texas, "Riverview Tower."

**Ordinance Authorizing Original Lease:** 2008-06-12-0528

**1st Extension:** 2012 Combined Agreement Relating to Existing Leases (Riverview Towers/COSA) relating to four leases between Landlord and Tenant for space in the Riverview Towers office building located at 111 Soledad, San Antonio, Texas 78205 and authorized by the Ordinance Authorizing 1<sup>st</sup> Extension. Extends the Lease to expire on September 30, 2016. All other terms remained the same including rent.

**Ordinance Authorizing 1st Extension:** 2013-02-21-0126



### 3.02. Defined Terms.

All terms not otherwise defined in this amendment have the meanings ascribed to them in Lease and all previous renewals and amendments to it.

### 3.03. Extension of Term, Early Lease Termination.

3.03.01. The term of Lease is extended from the Commencement Date through the end of the Renewal Term (6 years beginning January 1, 2016 – December 31, 2021).

3.03.02. Tenant may terminate 2,754 R.S.F. located in Suite 1600 as shown on Exhibit A (labeled External Relations) of the original Lease Agreement, at any time with 90 days written notice to Landlord. If Tenant exercises this termination option, 1.) the monthly base rent will be reduced by \$3,901.50, and 2.) the operating expense reimbursement, if any, will be reduced proportionally.

3.03.03. Tenant may terminate any or all of the suites of Lease any time after 9/30/2019 on not less than 150-days prior written notice.

### 3.04. Lease Rent.

Lease Base Rent during the Renewal Term shall follow the following table:

| <i>Ste &amp; Period</i>                         | <i>Annual Rent per Square Foot</i> | <i>Monthly Base Rent</i> |
|---|------------------------------------|--------------------------|
| <b>Ste 1100 &amp; 1600</b><br>1/1/16 – 12/31/21 | \$17.00                            | \$29,540.30              |

### 3.05. Further Renewal of Lease.

3.05.01. If Tenant is not then in default under Lease, Tenant may renew Lease for a term of up to two additional years for any or all of the suites with 120 days written notice to Landlord, extending the term through 12/31/2023 at \$18 per square foot. Nothing herein shall be interpreted to waive City Council approval.

3.05.02. Lease Base Rent during this Renewal Term is calculated for all suites and both years using the following table:

| <i>Ste &amp; Period</i>                         | <i>Annual Rent per Square Foot</i> | <i>Monthly Base Rent</i> |
|---|------------------------------------|--------------------------|
| <b>Ste 1100 &amp; 1600</b><br>1/1/22 – 12/31/23 | \$18.00                            | \$31,278.00              |

#### **4. Holdover Tenancy and Termination – City Auditor’s Department Lease.**

##### **4.01. Identification of Original Lease and Amendments.**

**Audit Lease:** Lease Agreement between Landlord and Tenant pertaining to 8,302 square feet of space on the sixth floor of the office building located at 111 Soledad, San Antonio, Texas (“Building”) & authorizing permissible holdover status.

**Ordinance Authorizing Audit Lease:** 96772, November 21, 2002

**Ordinances Authorizing Amendments (Am) and Extension (Ex):** 1<sup>st</sup> Am: 99118; 2<sup>nd</sup> Am: 2008-08-07-0641; 3<sup>rd</sup> Am: 2010-06-03-0484; 4<sup>th</sup> Am: 2011-11-03-0910; 2<sup>nd</sup> Ex: 2013-02-21-0126

##### **4.02. Termination of Ste. 600 Tenancy.**

Tenant has given the required notice to Landlord to terminate the Lease effective December 14, 2015. Landlord waives rent due for Ste. 600 for the month of January, 2016 in order to provide Tenant additional time to fully vacate the Leased Premises.

#### **5. 4<sup>th</sup> Amendment – City Attorney’s Office and Human Resources Department Lease.**

##### **5.01. Identification of Original Lease and Amendments.**

**Lease:** Office Lease (City Attorney’s Office Riverview Office Building) dated January 30, 2002 between Mack-Cali Texas Property, LP as landlord and the City of San Antonio as Tenant, relating to approximately 14,920 square feet, consisting of Ste 1000, located at 111 Soledad, San Antonio, Texas 78205.

**Ordinance Authorizing Original Lease:** 95134, January 10, 2002

**Ordinances Authorizing Amendments (Am) and Renewals (R):** 1<sup>st</sup> Am: 96144; 1<sup>st</sup> R: 99437; 2<sup>nd</sup> R: 100943; 2<sup>nd</sup> Am, 3<sup>rd</sup> R: 2006-06-29-0778; 4<sup>th</sup> R: 2009-02-19-0137; 3<sup>rd</sup> Am, 5<sup>th</sup> R: 2011-05-05-0346

### **5.02. Lease Term and Amendment.**

Lease is currently in a five-year Term scheduled to terminate in January 2, 2017. Section 3. *Extension of Term, Renewal, Termination* of the 3<sup>rd</sup> Amendment and 5<sup>th</sup> Renewal to Lease Agreement authorized by Ordinance 2011-05-05-0346 is amended to waive the Landlord's obligation to provide a \$4.00 per square foot Tenant Improvement Allowance for Suites 120 and 200. This waiver amendment shall control over any other language to the contrary found in the Lease.

### **5.03. Termination of Ste. 1000 Tenancy.**

Tenant has given the required notice to Landlord to terminate the Ste. 1000 tenancy of the Lease effective December 31, 2015. Landlord waives rent due for Ste. 1000 for the month of January, 2016 in order to provide Tenant additional time to fully vacate the Leased Premises.

### **6. Receptacle Amendment – Amending all Riverview Towers Leases.**

All leases in effect at the time of this lease commencement between the City of San Antonio, as Tenant, and Riverview Tower Partners, Ltd., as Landlord for tenancies located at "Riverview Towers" located at 111 Soledad Street, San Antonio, Texas, are hereby amended to require Landlord to empty the large recycle containers located on each floor, once per week and return the containers to each floor the same day they are emptied.

### **7. No Default.**

Neither Landlord nor Tenant is in default under any lease subject to this agreement, and neither party is aware of a cause of action against the other arising out of or relating to the period before the date of Landlord's signature on this amendment as to any of the subject leases.

### **8. Same Terms and Conditions.**

This amendment is a fully integrated expression of the changes the parties intend to make to all the leases subject to this agreement, as previously amended. The parties acknowledge that, except as expressly set forth in this amendment, all the leases subject to this agreement as previously amended remain in full force and effect according to their terms, and the parties reaffirm the obligations thereof. Both Landlord and Tenant are bound thereby. There have been no amendments or other modifications to all the leases subject to this agreement except as expressly described in this amendment.

### **9. Miscellaneous.**

9.01. *Applicable Law.* This Agreement is entered into in San Antonio, Bexar County, State of Texas. Its Construction And The Rights, Remedies, And Obligations Arising Under It Are Governed by The Laws of The State Of Texas.

But the Texas conflicts of law rules must not be used to apply the laws of a jurisdiction other than Texas. Both parties' obligations under this agreement are performable in San Antonio, Bexar County, Texas, and venue for any action arising under this agreement is only in Bexar County, Texas.

9.02. *Severability.* If any part of this agreement is found invalid or unenforceable, the finding does not affect the remainder.

9.03. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which is an original, whether or not all parties sign the same document. Regardless of their number, counterparts constitute only one agreement. In making proof of this agreement, one need not produce or account for more counterparts than necessary to show execution by or on behalf of all parties.

9.04. *Further Assurances.* The parties must execute and deliver such additional documents and instruments as may be necessary to effect fully the provisions hereof. But no such additional documents can alter the rights or obligations of the parties stated in this agreement.

9.05. *Administrative Agreements.* The Director of the Center City Development & Operations Department may, without further council action, agree to, sign, and deliver on behalf of the City all consents, certificates, memoranda, estoppels, attornments, and modifications of nonmaterial rights and obligations arising under the leases and may declare defaults and pursue remedies for such defaults. This does not authorize amendments or renewals without council consent.

9.06. *Conflicts Between Numbers Stated Two Ways.* Whenever there is a conflict between numbers stated more than one way, either by using both words and numerals or by stating a fixed amount and a calculation, the highest number controls.

9.07. *Incorporation of Exhibits.* All exhibits to this Agreement are incorporated into it for all purposes as if fully set forth.

## **10. Public Information.**

Landlord 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.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

**11. Date of Amendment.**

For purposes of reference, the date of this amendment is the date of the later of the signatures set forth below.

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

**Landlord**

**Tenant**

**Riverview Tower Partners, Ltd., a Texas limited partnership, by and through its sole general partner**

**City of San Antonio, a Texas municipal corporation**

Signature: \_\_\_\_\_

**Riverview Tower GP, LLC, a Texas limited liability company**

Printed Name: \_\_\_\_\_

Signature: Charles Brown

Title: \_\_\_\_\_

Printed Name: Charles Brown

Date: \_\_\_\_\_

Title: Manager

Approved:

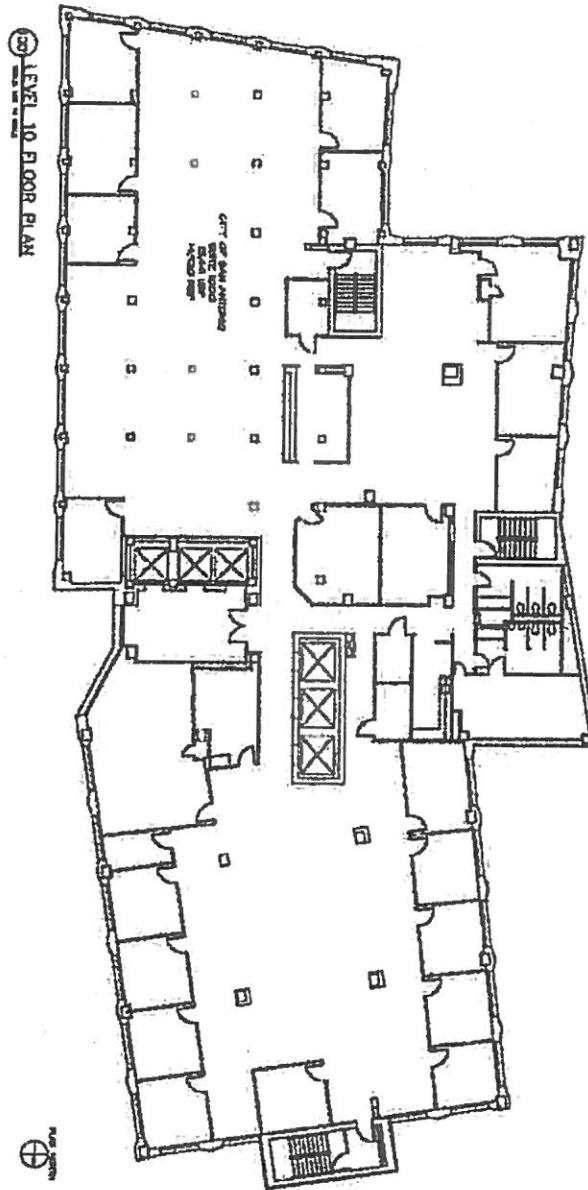
Date: 3/10/16

\_\_\_\_\_  
City Attorney

Attest:

\_\_\_\_\_  
City Clerk

**Attachment A  
Suite 1000**



# RIVERVIEW TOWERS LEVEL 6

Suite 600

▲  
SUIE 600  
6,302 RSF

