

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.**

AN ORDINANCE

**AUTHORIZING A TEN YEAR LEASE AGREEMENT WITH ONE TEN-
YEAR EXTENSION OPTION WITH THE FIDELIA LIMITED
PARTNERSHIP AT SAN ANTONIO INTERNATIONAL AIRPORT
REPLACING A TEN YEAR LEASE AGREEMENT APPROVED BY CITY
COUNCIL IN MAY 2015.**

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WHEREAS, in May 2015 City Council approved a lease agreement with The Fidelia Limited Partnership (also known as Hallmark) that includes a 10,665 square foot Building 1540, 31,600 square foot Hangar 1541 and 24,000 square foot Hangar 1542, and 394,109 square feet of ground space; and

WHEREAS, two appraisals were conducted for Building 1540, one in 2013 which served as the basis for the rental rates contained in the 2015 lease agreement, and one in 2016 based on an engineer's report taking into consideration certain building deficiencies; and

WHEREAS, City staff and Hallmark representatives have negotiated new rental rates based on both appraisals which have been incorporated into a new ten-year lease agreement with Hallmark, with one ten-year option; **NOW THEREFORE**,

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

SECTION 1. The terms and conditions of a Lease Agreement with The Fidelia Limited Partnership at San Antonio International Airport are hereby approved. The City Manager or her designee is authorized to execute the Lease Agreement, a copy of which is set out in **Exhibit 1**.

SECTION 2. The Lease Agreement with The Fidelia Limited Partnership entered into in May 2015 pursuant to Ordinance No. 2015-05-04-0411 is hereby terminated, which termination shall be effective on April 30, 2017.

SECTION 3. Funds generated by this Ordinance will be deposited into Fund 51001000, Internal Order 2330000000008 and General Ledger 4409016.

SECTION 4. 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.

KRH
4/13/17
Item No. _____

SECTION 5. This Ordinance shall take effect immediately upon receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED and APPROVED this _____ day of April, 2017.

M A Y O R
Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney

DRAFT