

AN ORDINANCE 2017-05-18-0340

AUTHORIZING THE EXECUTION OF THE SECOND RENEWAL AND EXTENSION OF A LEASE AGREEMENT WITH CALLAGHAN SQUARE INVESTMENTS, LTD., FOR THE SAN ANTONIO METROPOLITAN HEALTH DISTRICT'S WOMEN, INFANTS AND CHILDREN NUTRITION OFFICE SPACE, LOCATED AT 4412 CALLAGHAN ROAD IN COUNCIL DISTRICT 7.

* * * * *

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 an instrument in the form of **Attachment I**, which is incorporated for all purposes as if fully set forth. The City Manager and her designee, severally, should take all other actions conducive to effectuate the transaction, including agreeing to non-material changes to the approved form and executing and delivering ancillary documents and instruments conducive to effectuating the transaction.

SECTION 2: Monthly funding in the amount up to \$6,823.74 is available for the term of April 2017 through September 2017 in fund 2201636011, internal order 136000000701, GL 5206010 and was previously allocated. Monthly funding in the amount up to \$6,823.74 for the remainder of the lease agreement through March 2022 will be contingent upon grant funding from the Texas Department of State Health Services to the WIC Nutrition Project.

SECTION 3: Payment not to exceed the budgeted amount is authorized to Callaghan Square Investments, Ltd. and should be encumbered with a purchase order.

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.

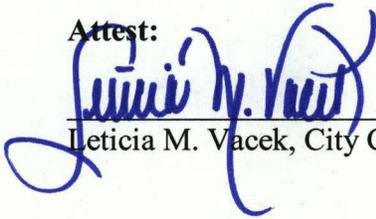
SECTION 5. This Ordinance shall be effective immediately upon passage by eight or more affirmative votes; otherwise, it shall be effective on the tenth day after passage.

PASSED AND APPROVED this 18th day of May, 2017.



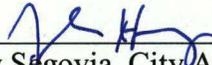
M A Y O R
Ivy R. Taylor

Attest:



Leticia M. Vacek, City Clerk

Approved As To Form:


For
Andrew Segovia, City Attorney

Agenda Item:	13 (in consent vote: 5, 6, 7, 8, 9, 11, 13, 14, 15A, 15B, 17, 19, 21, 22, 23, 24, 25A, 25B, 25C)						
Date:	05/18/2017						
Time:	09:21:19 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing the execution of the second renewal and extension of a lease agreement with Callaghan Square Investments, Ltd., for the San Antonio Metropolitan Health District's Women, Infants and Children Nutrition office space, located at 4412 Callaghan Road in Council District 7. [Lori Houston, Assistant City Manager; John Jacks, Interim 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				
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				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				x
Michael Gallagher	District 10		x			x	

2nd Renewal and Extension of Lease Agreement

(Health Department // Callaghan Square)

1. Identifying Information.

Ordinance Authorizing 2nd Renewal and Extension:

Landlord: Callaghan Square Investments, Ltd.

Landlord's Address: 1110 Lashbrook, Houston, Texas 77077

Tenant: City of San Antonio

Tenant's Address: P.O. Box 839966, San Antonio, Texas 78283-3966
(Attention: Leasing Division)

Lease Premises: Lease of approximately 5,000 square feet located in the retail center at 4412 Callaghan Road, San Antonio, Bexar County, Texas for general office and clinic space to be used by the San Antonio Metropolitan Health District.

**Ordinance Authorizing
Original Lease:** 2007-03-29-0321

**Ordinance Authorizing 1st
Renewal and Extension:** 2011-10-06-0814

**Beginning of 2nd Renewal
Term:** April 1, 2017

**Expiration of 2nd Renewal
Term:** March 31, 2022

2. Defined Terms.

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. Renewal and Extension.

3.01. The term of the lease is extended from the Beginning of 2nd Renewal Term through and including the Expiration of 2nd Renewal Term.

3.02. Tenant may renew the Lease for an additional five-year term by delivering written notice 60 days prior to the Expiration of 2nd Renewal Term, but such renewal is contingent on Landlord and Tenant agreeing on Rent during such term.

3.03. Despite any other provision in the Lease, Tenant may terminate this lease any time without cause with 30 days' prior written notice to Landlord.

4. Rent.

Tenant must pay to Landlord the following rent at the place, at the intervals, and in the manner described in the Lease for the payment of rent.

April 1, 2017 thru March 31, 2022	Monthly Rent \$6,823.74
-----------------------------------	----------------------------

5. Services, Repairs and Maintenance.

Section 4.03. of the Original Lease is hereby amended to add the following clarification:

In addition to Tenant being responsible for any HVAC repairs in an amount not to exceed \$250.00, Tenant shall also be responsible for the routine maintenance of all HVAC equipment exclusively serving the Premises. In the event that Tenant determines, in its sole opinion, that the cost of any repair to the HVAC equipment will exceed \$250.00, then Landlord shall promptly make the repair as provided in section 4.06.

Section 4.05 from the Original Lease is hereby deleted in its entirety and replaced with the following:

4.05. Landlord and Tenant each must repair, maintain, and replace, if necessary, any building component allocated to it in the table below:

<i>Item</i>	<i>Tenant Responsibility</i>	<i>Landlord Responsibility</i>
Janitorial Services to Premises	Yes	No
Janitorial Services to Common Areas	No	Yes
Exclusively metered Utility Services	Yes	No
Parking Lot Maintenance	No	Yes
Landscaping	No	Yes
Exposed Electrical Systems	Yes	No
Interior Light bulbs and tubes including any signage affixed to building and installed by Tenant	Yes	No
Concealed Electrical Systems	No	Yes

Exposed Plumbing Systems	No	Yes
Concealed Plumbing Systems including under slab drain lines	No	Yes
HVAC Systems as provided in Section 4.03	Yes	Yes
Pest Control	Yes	No

New Section 4.06 is inserted as follows:

4.06. If a party to whom maintenance or repair responsibilities are allocated under section 4.05 fails to meet those responsibilities within the time frame prescribed herein, the other party may make the repair and in the case of Tenant, deduct the cost of the repair from the next rent due, or in the case of Landlord, charge Tenant by providing a detailed written invoice with Tenant to pay Landlord's actual incurred cost for making the repair as part of the monthly rent next due. Landlord shall be allowed to seek reimbursement up to \$250.00 for any HVAC repair that it performs at the request of Tenant. For any repair required to be made by Landlord that affects Tenant's use of the Premises including, but not limited to HVAC, water breaks, drain line clogs or electrical malfunctions, then Landlord must initiate the repair within not more than 24 hours after receiving Tenant's repair request and diligently pursue completion thereafter. Initiate the repair shall mean Landlord has retained a licensed contractor to perform the work and has provided sufficient authority to Landlord's contractor to perform the necessary repair. Nothing in this section requires one party to perform maintenance or repairs allocated to the other.

6. 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.

7. 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.

8. 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.

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

Tenant:

City of San Antonio,
a Texas municipal corporation

Landlord:

Callaghan Square Investments, Ltd.,
A Texas business corporation,
by and through its sole general partner

Tily Management Company,
A Texas corporation

By: _____

By: Michel Shapiro

Printed Name: _____

Printed Name: Michel Shapiro

Title: _____

Title: President

Date: _____

Date: 04-12-2017

Approved as to Form:

City Attorney

Attest:

City Clerk