

ORDINANCE 2019-12-12-1052

AUTHORIZING A SECOND AMENDMENT AND EXTENSION OF A LEASE AGREEMENT WITH CRONUS ENTERPRISES LLC FOR 7,000 SQUARE FEET OF MULTI-USE SPACE IN COUNCIL DISTRICT 4 FOR USE AS A SENIOR CENTER FOR AN ADDITIONAL TERM OF 10 YEARS.

* * * * *

WHEREAS, the Human Services Department has utilized 7,000 square feet of multi-use space located at 5512 SW Military Drive since September 2009 in City Council District 4 as the Willie Cortez Senior Multi-Service Center; and

WHEREAS, the Willie Cortez Senior Multi-Service Center has been a great success over the last ten years, serving the estimated 17,472 seniors who reside in City Council District 4 by providing meals and services to approximately 110 seniors daily; and

WHEREAS, the existing lease term has expired and there is an immediate and continued need for the services provided by the Willie Cortez Senior Multi-Service Center; and

WHEREAS, this action is consistent with the City of San Antonio (“City”) and Bexar County’s Joint Commission on Elderly Affairs, which recommended the establishment of multi-service centers in 2003; **NOW THEREFORE:**

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

SECTION 1. The City Council authorizes the City Manager or designee to execute Second Amendment and Extension to Lease Agreement substantially in the form as shown in **Attachment I** with Cronus Enterprises LLC for the continued use of 7,000 square feet of multi-use space located at 5512 SW Military Drive in Council District 4 as a Senior Center for an additional term of ten years expiring December 31, 2029 for the initial monthly rental of \$16,861.65 during the first year of the renewal term. The City shall have the option to terminate this lease after the fourth year with 120 days’ notice.

SECTION 2. Under the terms of the proposed Second Amendment and Extension to Lease Agreement, the new monthly rent schedule shall be as follows:

Term	Monthly Rent
1-1-20 thru 12-31-20	\$16,861.65
1-1-21 thru 12-31-21	\$16,919.15
1-1-22 thru 12-31-22	\$16,978.09
1-1-23 thru 12-31-23	\$17,038.50
1-1-24 thru 12-31-24	\$17,100.42
1-1-25 thru 12-31-25	\$16,385.57
1-1-26 thru 12-31-26	\$16,450.63
1-1-27 thru 12-31-27	\$16,517.31
1-1-28 thru 12-31-28	\$16,585.66
1-1-29 thru 12-31-29	\$16,655.72

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In addition to the monthly rent, the City will continue to be responsible for costs associated with utilities, janitorial and limited maintenance.

SECTION 3. Funding in the amount of \$151,754.00 for this ordinance is available in Fund 11001000, Cost Center 3806020401, and General Ledger 5206010 as part of the Fiscal Year 2020 budget.

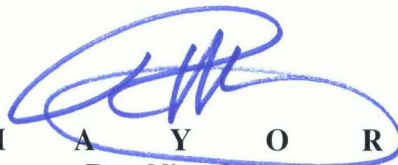
SECTION 4. Additional funding is contingent upon City Council approval of subsequent budgets within the term length of this contract.

SECTION 5. Payment not to exceed the budgeted amount is authorized to Cronus Enterprises LLC. for the continued use of 7,000 square feet of multi-use space located at 5512 SW Military Drive, in Council District 4, as a Senior Center.

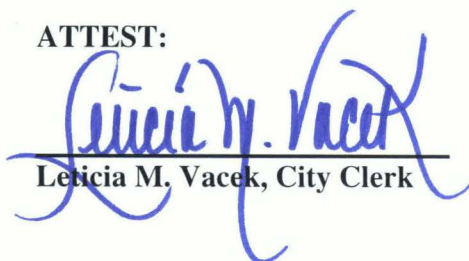
SECTION 6: The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 7: This Ordinance becomes effective immediately upon its passage by eight (8) votes or more and 10 days after passage upon its approval by less than eight (8) votes.

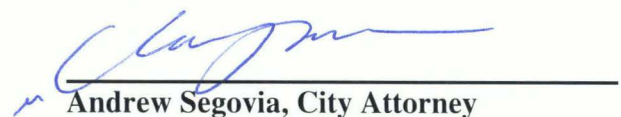
PASSED AND APPROVED this 12th day of December, 2019.


M A Y O R
Ron Nirenberg

ATTEST:


Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:


Andrew Segovia, City Attorney

Agenda Item:	23 (in consent vote: 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18A, 18B, 18C, 18D, 18E, 19, 20, 21, 22, 23, 24, 25, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 39, 41A, 41B, 42A, 42B, 42C, 42D, 43, Z-1)						
Date:	12/12/2019						
Time:	09:40:36 AM						
Vote Type:	Motion to Approve						
Description:	Ordinance approving the Second Amendment and Extension to Lease Agreement with Cronus Enterprises LLC, for the continued use of the property located at 5512 SW Military Drive, in City Council District 4, as the Willie Cortez Senior Center, for an additional ten-year term. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development and Operations]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x				x
Jada Andrews-Sullivan	District 2		x			x	
Rebecca Viagran	District 3		x				
Adriana Rocha Garcia	District 4		x				
Shirley Gonzales	District 5		x				
Melissa Cabello Havrda	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

Attachment I

Second Amendment and Extension to Lease Agreement (5512 S.W. Military, D-4 Senior Center Lease)

This Second Amendment and Extension to Lease Agreement is entered into between Landlord and Tenant as of the later of the two signatures at the end:

1. Identifying Information.

Original Authorizing Ordinance: 2009-04-16-0295

First Amendment to Lease Agreement: 2011-06-02-0442

Current Authorizing Ordinance:

Landlord: Cronus Enterprises LLC

Landlord's Address: 5632 Van Nuys Blvd., Unit 1103, Sherman Oaks, California 91401

Tenant: City of San Antonio

Tenant's Address: P.O. Box 839966, San Antonio, Texas 78283-3966

Premises: The real property located at 5512 S.W. Military Drive, as more particularly described as Lot 15, NCB 15285, Advance Subdivision UT-2, San Antonio, Bexar County, Texas, including the approximately 7000 square feet building and the adjoining surface parking lot, as depicted in Exhibit A of the 1ST Amendment to Lease Agreement.

Commencement Date: January 1, 2020

Renewal Term: Ten (10) year term set to expire December 31, 2029

Binding Date: This agreement is binding on the parties on the later of: (A) the effective date of the Authorizing Ordinance; or (B) the later of the signatures of the two Parties.

Attachment I

2. Defined Terms.

All terms defined in the Lease and not otherwise defined in this amendment, when used in this amendment, have the meanings ascribed to them in the Lease. References to "Lease" in this amendment include the original Lease.

3. Renewal and Extension.

The Term of this Lease shall be extended. The renewal term shall commence on January 1, 2020 for a ten year term to expire on December 31, 2029.

4. Rent.

Base Rent and Additional Rent as they are defined in the original Lease agreement authorized by Ordinance 2009-04-16-0295 shall be amended by eliminating Base Rent and Additional Rent amount. Instead, the monthly Rent due each month shall be in accordance with the following rent table:

Term	Monthly Rent
1-1-20 thru 12-31-20	\$16,861.65
1-1-21 thru 12-31-21	\$16,919.15
1-1-22 thru 12-31-22	\$16,978.09
1-1-23 thru 12-31-23	\$17,038.50
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1-1-28 thru 12-31-28	\$16,585.66
1-1-29 thru 12-31-29	\$16,655.72

5. Tenant Improvements.

Landlord will, at its sole cost and expense, complete the following Tenant requested improvements ("Landlord's Work") no later than March 31, 2020:

- (a) Replace five commodes with new power-flush-assisted and American with Disabilities Act compliant commode units in the restrooms.
- (b) Replace the carpet in the space with the Vinyl Composition Tile (VCT), strip and wax new VCT, and replace all flooring in exercise room with the same original selection.
- (c) Install new cove base in rooms where flooring is replaced. All other flooring to remain as-is.
- (d) Repaint classrooms, offices, restrooms, and the large main room.
- (e) All Landlord's Work will completed after business hours and/or weekends.

Attachment I

6. Termination.

Tenant may terminate this Lease on or after November 30, 2024 with 120 days written notice to the Landlord.

7. 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 the date of the Landlord's signature on this amendment.

8. Same Terms and Conditions.

Except as specifically set forth in this First Amendment and Extension to Retail Lease Agreement, all the terms and provisions of the Lease shall remain unmodified and in full force and effect.

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

City of San Antonio,
a Texas municipal corporation

Cronus Enterprises LLC

By: _____

By: Mng. MBR.

Printed
Name: _____

Printed
Name: JERRY PIKOVER

Signature: _____

Signature: [Handwritten Signature]

Date: _____

Date: 11/23/19

Attest:

City Clerk

Approved as to Form:

City Attorney