

ORDINANCE 2018-06-14-0442

AUTHORIZING A SECOND AMENDMENT TO THE SUB-SURFACE AND RIVER WALK LEASE AGREEMENT WITH RIO PLAZA L.P. TO EXTEND THE AGREEMENT THROUGH JUNE 30, 2023.

* * * * *

WHEREAS, ordinance 79744 passed by City Council on March 3, 1994, approved the lease of 7,754 square feet of City-owned sub-surface space under Crockett Street to Pat Malony Development Partnership, Ltd.; and

WHEREAS, on November 26, 2003 this lease was assigned to Rio Plaza L.P. via administrative approval; and

WHEREAS, ordinance 2008-06-12-0530 amended the sub-surface Lease Agreement by reducing the square footage to 6,884 and combining the sub-surface Lease Agreement with the River Walk Patio Lease agreement which authorized the use of 665.31 square feet of River Walk patio space adjacent to the sub-surface space; and

WHEREAS, the term of this amended and combined agreement will expire on June 30, 2018; and

WHEREAS, this ordinance will authorize the Second Amendment to the Agreement with Rio Plaza L.P. to extend the Agreement's term through June 30, 2023; and

WHEREAS, the Amendment also provides Rio Plaza an additional five-year renewal option; **NOW THEREFORE:**

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

SECTION 1. The City Manager or her designee, or the Director of the Center City Development and Operations or his designee, is authorized to execute an amendment and extension to the Sub-Surface and River Walk Patio lease agreement with Rio Plaza L.P. A copy of the lease is attached hereto and incorporated herein for all purposes as **Attachment I**.

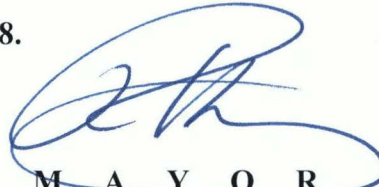
SECTION 2. Funds generated by this ordinance will be deposited as per table:

Amount	General Ledger	Fund	Internal Order
\$18,999.84	4401150	11001000	219000000001
\$19,825.92	4401150	11001000	219000000001
\$20,652.00	4401150	11001000	219000000001
\$21,478.08	4401150	11001000	219000000001
\$22,304.16	4401150	11001000	219000000001
\$17,484.35	4407711	29093000	OR-00001-01-01-01
\$17,883.53	4407711	29093000	OR-00001-01-01-01
\$18,362.56	4407711	29093000	OR-00001-01-01-01
\$18,841.58	4407711	29093000	OR-00001-01-01-01
\$19,320.60	4407711	29093000	OR-00001-01-01-01

SECTION 3. 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 Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

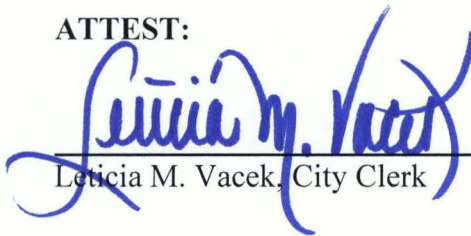
SECTION 4. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 14th day of June, 2018.



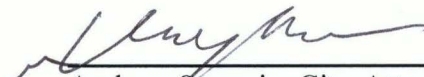
M A Y O R
Ron Nirenberg

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney

Agenda Item:	17 (in consent vote: 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19A, 19B, 21, 22, 23, 24, 25, 26, 27, 28, 29, 32, 33)						
Date:	06/14/2018						
Time:	10:22:38 AM						
Vote Type:	Motion to Approve						
Description:	Ordinance authorizing a Second Amendment to the Sub-Surface and River Walk Lease agreement with Rio Plaza L.P. to extend the agreement through June 30, 2023. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development & Operations]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x			x	
William Cruz Shaw	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	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				

SW/ah
6/14/18
Item No. 17

ATTACHMENT I

Second Amendment of Riverwalk Lease Agreement (Rio Plaza, L.P.)

This Second Amendment of the Riverwalk Lease Agreement is between Lessee and the City of San Antonio ("Lessor"), pursuant to the Ordinance Authorizing Renewal.

1. Identifying Information.

Lessee: Rio Plaza, L.P.

Lessee's Address: 112 E. Pecan Suite 1212, San Antonio, TX 78205

Lease: 6,884 square feet of City-owned property, adjacent to the San Antonio River Walk and located below Crockett Street (Sub-Surface)

665.31 square feet of City-owned River Walk patio space

Ordinance Authorizing

First Amendment: 2008-06-12-0530

**Ordinance Authorizing
Second Amendment**

Beginning of Second

Renewal Term: July 1, 2018

Expiration of Second

Renewal Term: June 30, 2023

2. Defined Terms.

2.1 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. Term.

3.1 The term of the lease is extended from the Beginning of Second Renewal Term through the Expiration of Second Renewal Term.

3.2 As long as Lessee is not in default, this renewal may be extended for an additional five-year period (Third Renewal Option). In order to exercise the Third Renewal Option, Lessee shall notify Lessor in writing no earlier than June 30, 2022 and no later than December 31, 2022. Center City Development & Operations Director may authorize Third Renewal Option; authorization shall not be unreasonably withheld.

4. Rental.

4.1 Rental for the Second Renewal is as follows:

4.1.1 For July 1, 2018 – June 30, 2019

4.1.1.1 Sub-Surface: \$0.23 per sf/month or \$1,583.32 monthly

4.1.1.2 River Walk: \$2.19 per sf/month or \$1,457.03 monthly

4.1.2 For July 1, 2019 – June 30, 2020:

4.1.2.1 Sub-Surface: \$0.24 per sf/month or \$1,652.16 monthly

4.1.2.2 River Walk: \$2.24 per sf/month or \$1,490.29 monthly

4.1.3 For July 1, 2020 – June 30, 2021:

4.1.3.1 Sub-Surface: \$0.25 per sf/month or \$1,721.00 monthly

4.1.3.2 River Walk: \$2.30 per sf/month or \$1,530.21 monthly

4.1.4 For July 1, 2021 – June 30, 2022:

4.1.4.1 Sub-Surface: \$0.26 per sf/month or \$1,789.84 monthly

4.1.4.2 River Walk: \$2.36 per sf/month or \$1,570.13 monthly

4.1.5 For July 1, 2022 – June 30, 2023:

4.1.5.1 Sub-Surface: \$0.27 per sf/month or \$1,858.68 monthly

4.1.5.2 River Walk: \$2.42 per sf/month or \$1,610.05 monthly

4.2 The lease rates for the Third Renewal Option, if exercised, will increase at an annual rate of 2.5% for the Sub-Surface and River Walk spaces.

5. No Default.

5.1 Neither Lessor nor Lessee 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.

6. Same Terms and Conditions.

6.1 This renewal instrument is a fully integrated statement of the modifications to the Lease. Except as expressly modified by this renewal, the Lease remains a comprehensive statement of the rights and obligations of Lessor and Lessee. Lessor and Lessee reaffirm the Lease as modified by this agreement and represent to each other that, except as expressly stated in this instrument, 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.

7. Public Information.

7.1 Lessee 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.

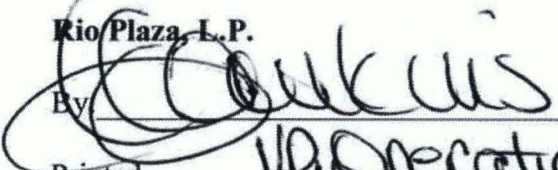
Lessor

Lessee

City of San Antonio, a Texas municipal corporation

Rio Plaza, L.P.

By: _____

By: 
Printed Name and Title: VP Operations
Lydia Hankins

Printed Name: _____

Printed Name and Title: _____

Title: _____

Date: 5/25/2018

Date: _____

Attest:

City Clerk

Approved as to Form:

City Attorney