AN ORDINANCE 2017 - 11 - 09 - 0888

AUTHORIZING THE FIRST AMENDMENT AND EXTENSION TO THE AMENDMENT AND RESTATEMENT OF THE HENRY B. GONZALEZ CONVENTION CENTER (BUSINESS CENTER) LEASE AGREEMENT WITH TEXAS BADGER DEVELOPMENTS-1, LLC (D/B/A THE UPS STORE) FOR THE LEASE OF SPACE FOR A FIVE-YEAR RENEWAL TERM FROM JANUARY 1, 2018 THROUGH DECEMBER 31, 2022, WITH ESTIMATED ANNUAL REVENUE OF \$30,000.00 AND \$150,000.00 OVER THE FIVE-YEAR RENEWAL TERM, AND PROVIDING FOR INCREASED CUSTOMER SERVICE TRAINING AND ADDITIONAL SIGNAGE.

WHEREAS, City Council originally authorized a Lease Agreement for space at the Henry B. Gonzalez Convention Center with Texas Badger Developments-1, LLC (d/b/a The UPS Store) through the passage of Ordinance No. 94484 on September 6, 2001; and

WHEREAS, City Council authorized the Amendment and Restatement of the Henry B. Gonzalez Convention Center (Business Center) Lease Agreement ("Agreement") pursuant to Ordinance No. 2013-11-21-0787, which provided for a renewal period through December 31, 2017; and

WHEREAS, the Parties desire to exercise the available five-year renewal to extend the Agreement through December 31, 2022 and amend the Agreement to provide for increased customer service training, a secret shopper program and additional signage; **NOW THEREFORE:**

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

SECTION 1. The terms and conditions of the First Amendment and Extension to the Amendment and Restatement of the Henry B. Gonzalez Convention Center (Business Center) Lease Agreement ("First Amendment") are authorized and approved. The City Manager is authorized to execute the First Amendment. A copy of the First Amendment, previously executed by Texas Badger Developments-1, LLC, is attached to this Ordinance as **Exhibit I.**

SECTION 2. Funds generated by this Ordinance will be deposited into Fund 29006000 11001000, Internal Order 242000000273 and General Ledger 4407231.

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

LB 11/09/17 Item No. 21

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

SECTION 4. This Ordinance shall take effect immediately upon the receipt of eight affirmative votes; otherwise it shall be effective ten days after its passage.

PASSED AND APPROVED this 9th day of November, 2017.

A Y O R

Ron Nirenberg

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Andrew Segovia, City Attorney

Agenda Item:	21 (in consent vote: 6, 7, 8, 9, 11, 13, 14, 15, 19, 20, 21, 22, 26, 27, 29, 30, 32, P-1, Z-1)						
Date:	11/09/2017						
Time:	09:45:32 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing the First Amendment and Extension to the Amendment and Restatement of the Henry B. Gonzalez Convention Center (Business Center) Lease Agreement with Texas Badger Developments-1, LLC (d/b/a the The UPS Store) for the lease of space for a five-year renewal term from January 1, 2018 through December 31, 2022, with estimated annual revenue of \$30,000.00 and \$150,000.00 over the five-year renewal term, and providing for increased customer service training and additional signage. [Carlos Contreras, Assistant City Manager; Michael Sawaya, Director, Convention & Sports Facilities]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		X				
Roberto C. Treviño	District 1		X	T.			
William Cruz Shaw	District 2		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				X
Manny Pelaez	District 8		X				
John Courage	District 9		X			X	=
Clayton H. Perry	District 10		X				2

Exhibit I

FIRST AMENDMENT AND EXTENSION TO THE AMENDMENT AND RESTATEMENT OF THE HENRY B. GONZALEZ CONVENTION CENTER(BUSINESS CENTER) LEASE AGREEMENT

BETWEEN THE CITY OF SAN ANTONIO AND THE UPS STORE, INC.

This First Amendment ("First Amendment") to the Amendment and Restatement of the Henry B.
Gonzalez Convention Center (Business Center) Lease Agreement is entered into, pursuant to Ordinance
Number 2017 passed and approved on, 2017, by and between the
CITY OF SAN ANTONIO ("City") and TEXAS BADGER DEVELOPMENTS-1, L.L.C., d/b/a "The
UPS Store, Inc., ("Tenant") together referred to as the "Parties."

RECITALS

- A. City and Tenant entered into the Amendment and Restatement of the Henry B. Gonzalez Convention Center (Business Center) Lease Agreement (the "Agreement") pursuant to Ordinance 2013-11-21-0787, passed and approved on November 21, 2013.
- B. Prior to the effectiveness of this First Amendment, the Agreement terminates at midnight central standard time on December 31, 2017.
- C. The Parties desire to extend the Agreement and amend the terms and conditions of the Agreement, as further described below.

AMENDMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in the Agreement, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

- 1. <u>Renewal.</u> Per Section 3.2 of the Agreement, the Term is extended for a period of five (5) years, commencing at 12:01 central standard time on January 1, 2018 and shall terminate at midnight central standard time on December 31, 2022.
- 2. Amendments. The Agreement is amended as follows:

Section 7.20 shall be added as follows:

"Tenant will implement a Secret Shopper Program and report results to the City a least two (2) times annually."

Section 7.21 shall be added as follows:

"Tenant will implement additional customer service training to its employees in order to achieve the highest level of exceptional customer service to visitors of the Convention Center."

Section 10.2 shall be amended by adding the following sentence to the end of the Section:

"City shall provide interior signage to be placed on the Convention Center's digital sign network."

3. No Other Changes. Except as specifically set forth in this First Amendment, all of the terms and conditions of the Agreement shall remain the same and are ratified and confirmed.

day of2017. CITY OF SAN ANTONIO a municipal corporation	TEXAS BADGER DEVELOPMENTS-1, L.L.C. a Texas corporation
Sheryl L. Sculley City Manager	Name:Title:
ATTEST:	
Leticia Vacek City Clerk	
APPROVED AS TO FORM:	
City Attorney	

4. <u>Counterparts.</u> This First Amendment may be executed in any number of counterparts, but all such counterparts shall together constitute one instrument.