

AN ORDINANCE 2014 - 06 - 19 - 0454

AUTHORIZING AN AMENDMENT TO THE 2012 COMBINED AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND RIVERVIEW TOWER PARTNERS, LTD. FOR THE ADDITION OF 6,574 SQUARE FEET OF OFFICE SPACE LOCATED AT 111 SOLEDAD, IN CITY COUNCIL DISTRICT 1, FOR USE BY THE INFORMATION TECHNOLOGY SERVICES DEPARTMENT FOR THE ADDITIONAL ANNUAL RENTAL AMOUNT OF \$115,045.00 DURING MONTHS ONE THROUGH TWENTY-FIVE AND \$121,619.00 DURING MONTHS TWENTY-SIX THROUGH JUNE 30, 2018.

* * * * *

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 a lease agreement substantially in the form of **Attachment I**, which is incorporated by reference for all purposes as if fully set forth. The City Manager and designee, severally, should take all other actions reasonably necessary or convenient to effectuate the transaction, including agreeing to non-material changes to the approved form and executing and delivering all ancillary instruments and agreements conducive to effectuating the transaction.

SECTION 2: Funding for this ordinance is available as part of the Fiscal Year 2014 budget per the table below and reflects an increase in the monthly rental.

Amount	General Ledger	Cost Center	Fund
\$28,761.00	5206010	0904990001	74001000
\$1,080.00	5202025	0904990001	74001000
Total Amt \$29,841.00			

SECTION 3: Future funding through the term of this lease agreement is contingent upon City Council approval of subsequent fiscal year budgets.

SECTION 4: Payment not to exceed the budgeted amount is authorized to Riverview Tower Partners, Ltd. and should be encumbered with a purchase order.

SECTION 5: 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.

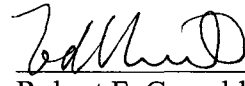

SECTION 6. This ordinance is effective immediately upon receipt of eight affirmative votes; otherwise, it is effective 10 days after passage.

PASSED AND APPROVED this 19th day of June, 2014.


M A Y O R
Julián Castro

Attest:

Jeticia M. Vacek, City Clerk

Approved As To Form:

Robert F. Greenblum, City Attorney


Agenda Item:	16 (in consent vote: 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 18, 19, 20, 21, 24, 27, 28, 29, 30, 31, 32, 35, 36, 37, 38A, 38B, 39A, 39B, 40A, 40B, 40C)						
Date:	06/19/2014						
Time:	10:29:56 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing an Amendment to the Lease Agreement between the City of San Antonio and Riverview Tower Partners, Ltd. to add 6,574 square feet of office space for an amount of \$115,045.00 during months one through twenty-five and \$121,619.00 during months twenty-six through June 30, 2018 to allow for office consolidations of Information Technology Services Department resulting in operational efficiencies. [Peter Zanoni, Deputy City Manager; Mike Etienne, Officer, EastPoint & Real Estate Services Office]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				x
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x			x	
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

Attachment I

1st Amendment to 2012 Combined Agreement Relating to Existing Leases (Riverview Towers/COSA/ITSD)

This 1st Amendment to 2012 Combined Agreement Relating to Existing Leases is entered into between Landlord and Tenant.

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1. Identifying Information.

Authorizing Ordinance:

Landlord: Riverview Tower Partners, Ltd.

Landlord's Address: 111 Soledad, San Antonio, Texas 78205

Tenant: City of San Antonio

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

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Lease: 2012 Combined Agreement Relating to Existing Leases (Riverview Towers/COSA) pertaining to Leases A, B, C, and D, as described therein, between Landlord and Tenant and authorized by the Ordinance Authorizing Lease.

Ordinance Authorizing Lease: 2013-02-21-0126

Additional Premises: The approximately 6,574 square feet of the building on the ninth floor known as Suite 900 to the Premises of Lease A (pertaining to ITSD tenancy) and shown as they are to be laid out on Exhibit A.

Binding Date: The effective date of the Authorizing Ordinance

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 both the original Lease and all previous amendments to it. Move-in ready means that the Premises are finished-out according to the requirements of this Lease, except for minor items such as are routinely corrected with a punch list.

3. Addition of Premises to Lease A.

The parties add the Additional Premises to Lease A. The term for the Additional Premises is the same as for Lease A. For all purposes for which the square footage of the Additional Premises is important under the Lease, the Additional Premises contain 6,574 square feet.

4. Commencement Date.

The Commencement Date is the later to occur of (a) Landlord's delivery to Tenant of a certificate of occupancy for the Additional Premises finished out according to the requirements of this amendment or (b) the date the Additional Premises are Move-in Ready. The certificate of occupancy must be for the layout shown on Exhibit A. When the date is known, the parties will memorialize the date in writing in substantially the form of Exhibit C.

5. Finish-out.

5.01. The terms below have the meanings ascribed to them

Final Plans: Construction-ready, detailed drawings of all partitions

and work spaces approved by both Landlord and Tenant for the Additional Premises so that the Additional Premises will be laid out as shown on Exhibit A. The drawings must specify all interior and exterior work necessary to timely secure a Certificate of Occupancy and put the Premises in turn-key condition and in ADA compliance.

Finish-out Work: All work necessary to implement the Final Plans in a good and workmanlike manner, whether or not specific tasks were foreseen.

Punch List: List of deficiencies in Finish-out Work.

5.02. Development of Final Plans.

(a) Immediately after the Binding Date, Landlord and Tenant will seek agreement on construction drawings adequate to finish-out the Additional Premises as shown on Exhibit A and otherwise in accordance with the requirements of this amendment.

(b) Tenant may specify the following details in the Final Plans:

- (i) the location of file cabinets, special equipment, fixtures, and furniture;
- (ii) the location of doors and windows;
- (iii) electrical, air conditioning and plumbing requirements;
- (iv) telephone equipment requirements and telephone outlet locations;
- (v) electrical outlet and switch locations;
- (vi) room sizes, configurations, and locations;
- (vii) interior and exterior lighting requirements;
- (viii) cabinet work or other millwork requirements;
- (ix) acoustical and special wall finish requirements;
- (x) all interior and exterior finish colors and material selections;
- (xi) data wiring and computer locations,
- (x) equipment specifications and locations; and
- (xi) location of entrances, covered canopies, covered patios/gazebos, stairs, escalators, elevators, service areas, and floor design of the Premises.

5.03. Preliminary Pricing Notes. The information on Exhibit B is included as convenience for planning, but Landlord acknowledges Tenant's needs may change.

5.04. Plan Approval. Within 30 days after the Binding Date, Landlord must submit architect-prepared, proposed plans to Tenant. Tenant's failure to ask for specific revisions within 10 business days is Tenant's acceptance of the Final Plans as proposed. If Tenant timely asks for revisions, Landlord must have its architect revise accordingly and resubmit to Tenant. As before, Tenant's failure to ask for revisions within 10 business days is Tenant's acceptance. If Tenant timely asks for revisions, the revision process repeats.

5.05. Landlord must, no later than the Commencement Date, complete the following work at no expense to Tenant:

- a. Complete all work required by the Final Plans, including electrical work.
- b. Remove Tenant's modular furniture now located at 425 Soledad and reinstall it in the Additional Premises.
- c. Procure and install as much additional, matching modular furniture as needed to match the Exhibit A layout.

5.06. Landlord need not spend more than \$58,100 on items (b) and (c) above. Item (a) is not limited by the budget. As soon as Landlord realizes the cost of items (b) and (c) may exceed \$58,100 it must promptly notify Tenant so the parties may work out a solution within the budget.

5.07. *Substantial Completion.* Substantial Completion of Landlord's Work is the date of issuance of the Landlord obtained Certificate of Occupancy for the Premises. Tenant must have the opportunity to inspect the Premises and may deliver a Punch List to Landlord within 30 days after Substantial Completion. Failure to timely deliver a Punch List is Tenant's acceptance of the work. Delivering a Punch List does not postpone the Commencement Date. Landlord must cure all Punch List items within 15 days or, if Tenant agrees in writing, 30 days. Landlord may enter the Premises at any reasonable time to cure Punch List items but must not unnecessarily disrupt Tenant's activities.

5.08. *Early Access.* Landlord must permit Tenant to enter the Premises before the Commencement Date to prepare the Premises for Tenant's use and occupancy, including testing and installation of Tenant's equipment. Any such entry into the Premises is under all of the terms of the Lease, except as to Rent.

5.09. *Elevator Upgrades.* Prior to the Commencement Date, Landlord must; 1.) provide Tenant with a mutually acceptable scope of work for the low bank elevator upgrades (the upgrades), and 2.) provide Tenant written notice that the upgrades have timely commenced. Landlord must complete the upgrades no later than March 31, 2015. Additionally, Landlord must provide Tenant evidence that; 1.) not less than \$100,000.00 has been spent on the upgrades, and 2.) the upgrades are complete as evidenced by a lien release from the elevator contractor/s indicating that all work reflected in the scope of work provided to Tenant by Landlord has been completed and paid in full. In the event that Landlord does not timely commence or complete the upgrades pursuant to this paragraph, Tenant may withhold \$5,000.00 from the monthly rent, per month, until such time as the terms of this paragraph have been satisfied. Upon Tenants receipt from Landlord of the evidence that the upgrades have been completed and the contractor/s has been paid in full, Tenant will pay Landlord all rent, if any, that has been withheld pursuant to this paragraph.

6. Rent.

6.01. Base Rent for the Additional Premises is:

<i>Period</i>	<i>Annual Rent per Square Foot</i>	<i>Monthly Base Rent</i>
Months 1 to 25 (counting from the Commencement Date)	\$17.50	\$9,587.00
Months 26 to lease expiration	\$18.50	\$10,135.00

6.02. Parking Rent for the parking spaces to be provided under this amendment is \$90 a space monthly.

6.03. The Base Year for the Expense Stop for the Additional Premises only, is 2014.

6.04. Tenant must pay Base Rent, Parking Rent, and Tenant's Pro Rata Share for the Additional Premises at the time and place required by Lease A throughout the term.

6.05. Tenant has as to the Additional Premises the same renewal rights at the same rental rates as for other parts of the Premises of Lease A.

7. Parking Spaces.

In addition to all parking Landlord provides Tenant under previous agreements, Landlord must provide Tenant with four parking spaces in the Rand Garage for the Parking Rent provided for above.

8. 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 Landlord's signature on this amendment.

9. Same Terms and Conditions.

This amendment is a fully integrated expression of the changes the parties intend to make to the Lease, as previously amended. The parties acknowledge that, except as expressly set forth in this amendment, the parties rights and obligations as to the Premises added by this amendment are governed by the 2012 Combined Agreement Relating to Existing Leases and Lease A under that Combined Agreement, and the parties reaffirm the

obligations thereof. Both Landlord and Tenant are bound thereby. Neither party is in default under the Lease as amended. There have been no amendments or other modifications to the Lease except as expressly described in this amendment.

10. 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.

11. Incorporation by Reference.

All exhibits to this amendment are incorporated by reference for all purposes as if fully set forth.

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

Landlord

Tenant

City of San Antonio, a Texas municipal corporation

By: _____

Printed
Name: _____

Title: _____

Date: _____

Attest:

City Clerk

Riverview Tower Partners, Ltd., a
Texas limited partnership, by and through
its sole general partner

Riverview Tower GP, LLC, a Texas
limited liability company

By: Charles Brown

Printed
Name: Charles Brown

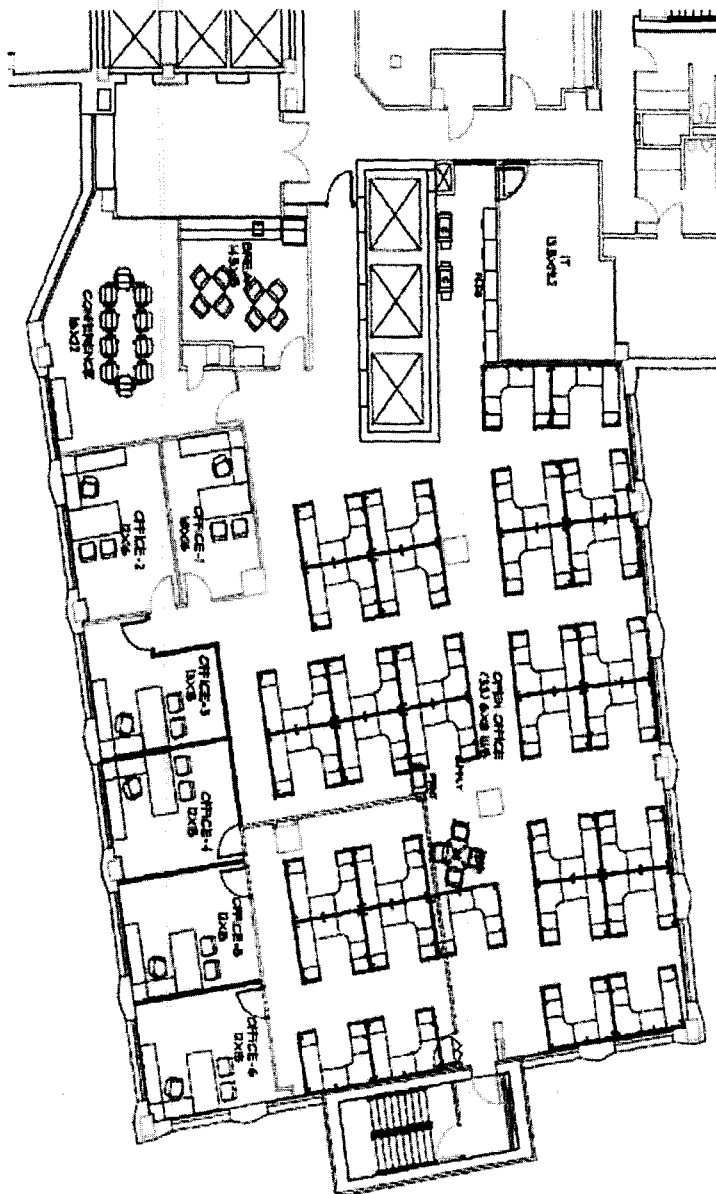
Title: Manager

Date: 4/9/14

Approved as to Form:

City Attorney

Exhibit A: Description of Additional Premises for Lease A



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Exhibit B: Preliminary Pricing Notes

Riverview Tower
March 28, 2014

Level 9, Suite 900

Preliminary Pricing Notes

GENERAL CONDITIONS:

1. These notes are for preliminary pricing only and not for construction. Contractor to visit site and verify existing conditions.
2. Modify existing HVAC system as required for new wall configurations and to meet all applicable codes.
3. Provide all safety systems and items required, such as exit signs, emergency lights, fire extinguishers, smoke detectors, and fire alarms, to meet all applicable codes. All systems to be tied into building system as required.
4. All interior partitions to match building standard unless noted otherwise. Provide for in-wall 2 1/2" sound batt insulation floor to ceiling at all new partitions.
5. All new interior doors, frames, and hardware to match existing building standard unless noted otherwise. All door hardware is to be lever type and lockable, keyed to a master key.
6. Ceiling grid and tile is existing to remain, replace any damaged or discolored tile with new to match existing.

ALLOW FOR:

Quantity	Item
20	Duplex wall outlets
5	Dedicated duplex wall outlets
8	Electrical base feed connections to systems furniture (wall mounted)
1	Electrical base feed connection to systems furniture (floor mounted-core as required)
9	Voice/data wall outlets (1" dia. conduit)
8	Voice/data wall outlets for workstations (2 - 1.5" dia. conduits)
1	Voice/data floor outlet for workstations (core as required, 2-1.5" dia. conduits)
2	Dual light switches for open office area lighting
4	Motion activated light switches (at new offices)

KEYED NOTES:

1. New plastic laminate veneer top, wall and base cabinets.
2. Stainless steel 17"x 20" sink with goose neck faucet and above ceiling 6 gallon electric hot water unit.
3. New refrigerator with icemaker mfg. by GE Energy Saver, #GDE20ESE, 20.2 cu. ft., with bottom freezer and stainless steel doors, also provide for water line with shut-off valve.
4. New partitions to extend to deck above ceiling (one hour rated), with slip joints and fire caulk.
5. At new entry door provide for "Fire-Lite" glass inset, 1/4"x24"x80".

GENERAL FINISH NOTES:

1. Existing carpet tile is to remain at all rooms except for Break room which is to receive new VCT flooring.
 - a. Replace carpet tiles as required at areas of demolition and stained carpet tiles, new to match existing, and replace all rubber base.
 - b. VCT allowance is to be \$3.00 per sq. ft. installed.
2. All partitions to be painted with 2 coats of interior latex enamel, egg shell finish.

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Exhibit C: Commencement Memorandum

Lease Commencement Memorandum

Landlord: Riverview Tower Partners, Ltd.

Tenant: City of San Antonio, a Texas municipal corporation

Lease: 2012 Combined Agreement Relating to Existing Leases (Riverview Towers/COSA) pertaining to Leases A, B, C, and D, as described therein, between Landlord and Tenant and authorized by the Ordinance Authorizing Lease.

Authorizing Ordinance:

Predicate Facts:

Landlord and Tenant are parties to the Lease, which was authorized by the Authorizing Ordinance.

The Commencement Date is the later to occur of (a) Landlord's delivery to Tenant of a certificate of occupancy for the Additional Premises finished-out according to the requirements of this amendment or (b) the date the Additional Premises are Move-in Ready.

For their mutual benefit, the parties now wish to memorialize the actual commencement date of the Lease's Term.

Rights and Obligations:

Now Therefore, in consideration of the premises, the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms.

All terms used in this memorandum and not otherwise defined herein but defined in the Lease have the meanings ascribed to them in that instrument.

2. Lease Commencement.

The Lease Term commences ??????

3. No Default.

As a part of the inducement to execute and deliver this memorandum, the parties represent to each other that:

- a. The Lease is in full force and effect according to its terms.
- b. Neither party is in default under the Lease.
- c. Neither party has any offset or claim against the other that would reduce or impair its obligations under the Lease.

4. Conflict of Terms.

This instrument controls over anything to the contrary in the Lease.

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

Tenant

City of San Antonio, a Texas municipal corporation

By: _____

Printed
Name: _____

Title: _____

Date: _____

Attest:

City Clerk

Approved as to Form:

City Attorney

Landlord

Riverview Tower Partners, Ltd., a Texas limited partnership, by and through its sole general partner

Riverview Tower GP, LLC, a Texas limited liability company

By: _____

Printed
Name: _____

Title: _____

Date: _____

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