

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.**

AN ORDINANCE

**AUTHORIZING THE AVIATION DIRECTOR AND CHIEF FINANCIAL
OFFICER TO EXECUTE LEASEHOLD SUBORDINATION
AGREEMENTS FOR SAN ANTONIO AIRPORT SYSTEM TENANTS.**

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WHEREAS, San Antonio Airport System tenants have previously requested to use their leasehold interest in premises leased from the Aviation Department to secure an indebtedness associated with improving the leasehold; and

WHEREAS, the standard Aviation Department lease requires City Council approval for any assignment of a tenant's interest in the lease agreement to be in a form previously approved by City Council; and

WHEREAS, this ordinance approves a template landlord subordination agreement, which requires any subsequent beneficiary to such subordination agreement to abide by all terms and be obligated to perform all conditions of the lease, and grants the Aviation Director and Chief Financial Officer authorization to execute such agreement; **NOW THEREFORE**,

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

SECTION 1. Authorizing the Aviation Director and Chief Financial Officer or their designees to execute landlord subordination agreements in a form substantially similar to the template set out in **Exhibit 1**.

SECTION 2. This Ordinance shall be effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED and APPROVED this _____ day of September, 2017.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney