

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

ORDINANCE

**APPROVING A ONE-TIME 5-YEAR EXTENSION AND FIRST
AMENDMENT TO THE FOOD SERVICE AGREEMENT WITH RK
CULINARY GROUP, LLC FOR THE OCTOBER 1, 2025 TO SEPTEMBER
30, 2030 TERM; AND THE ACCEPTANCE OF A \$500,000.00 RENEWAL
FEE TO BE DEPOSITED IN THE COMMUNITY AND VISITOR
FACILITIES FUND.**

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WHEREAS, the City entered the current Food Service Agreement with the RK Culinary Group, LLC for the Henry B. Gonzalez Convention Center (“Agreement”) to provide food and beverage service on an exclusive basis for events held in the Convention Center, including event-related non-edible merchandise services for commercial events, and the Agreement was approved by City Council in May 2015 for a 10-year term set to expire on September 30, 2025, with one 5-year renewal option; and

WHEREAS, as a result of the lack of business caused by the COVID-19 pandemic, the RK Culinary Group, LLC is in the process of securing a loan to cover its projected operating deficit and to ramp up its operation at the Convention Center when business returns and in order to secure such financing, the lender is requiring that the 5-year renewal option in the Agreement be approved at the present time; and

WHEREAS, the Agreement requires that a renewal fee of \$500,000.00 be paid by the RK Culinary Group, LLC within 60 days of the exercise of the renewal option; 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 Food Service Agreement with the RK Culinary Group, LLC, extending the Agreement through September 30, 2030, are authorized and approved. The City Manager, or his designee, is authorized to sign the First Amendment and Extension, a copy of which, previously executed by the RK Culinary Group, LLC, is attached to this Ordinance as Exhibit I.

SECTION 2. The acceptance of the \$500,000.00 renewal fee to be deposited in the Community and Visitor Facilities Fund is authorized and approved.

SECTION 3. Funds generated by this Ordinance will be deposited in Fund 29006000, Internal Order 242000000001 and General Ledger 4407732.

SECTION 4. 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 5. 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 _____ day of August, 2020.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Tina Flores, Acting City Clerk

Andrew Segovia, City Attorney

EXHIBIT I

DRAFT