

ORDINANCE

2020-08-20-0557

**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.**

\* \* \* \* \*

**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 20<sup>th</sup> day of August, 2020.

  
**M A Y O R**  
Ron Nirenberg

**ATTEST:**

  
\_\_\_\_\_  
Tina Flores, Acting City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Andrew Segovia, City Attorney



## City of San Antonio

City Council  
August 20, 2020

Item: 29

Enactment Number:  
2020-08-20-0557

NAME	MOTION	SECOND	ABSTAIN	AYE	NAY	ABSENT
Roberto Treviño Council District 1				✓		
Jada Andrews-Sullivan Council District 2	✓			✓		
Rebecca Viagran Council District 3				✓		
Adriana Rocha Garcia Council District 4				✓		
Shirley Gonzales Council District 5					✓	
Melissa Cabello Havrda Council District 6				✓		
Ana Sandoval Council District 7				✓		
Manny Pelaez Council District 8						✓
John Courage Council District 9				✓		
Clayton Perry Council District 10		✓		✓		
Ron Nirenberg Mayor				✓		

Comments:

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*Office of the City Clerk*

LB  
08/20/20  
Item No. 29

## **EXHIBIT I**



**FIRST AMENDMENT AND EXTENSION TO**  
**THE FOOD SERVICE AGREEMENT**  
**FOR THE HENRY B. GONZALEZ CONVENTION CENTER**

This First Amendment and Extension to the Food Service Agreement for the Henry B. Gonzalez Convention Center ("First Amendment") is entered into by and between the City of San Antonio ("City") and The RK Culinary Group LLC, by and through its Managing Member, Catering by Rosemary, Inc. ("Caterer"), together referred to as the "Parties," as authorized and approved by Ordinance No. 2020-08-\_\_\_\_.

**WHEREAS**, City and Caterer entered the Food Service Agreement for the Henry B. Gonzalez Convention Center ("Agreement"), authorized and approved by Ordinance No. 2015-05-21-0424, effective October 1, 2015 through September 30, 2025, with one available five-year renewal term; and

**WHEREAS**, the Parties wish to amend the Agreement as set forth below and to exercise the renewal term and extend the Agreement through September 30, 2030;

**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. The Agreement is extended through September 30, 2030, as provided for in **Section 1.2** of the Agreement.
2. Catering by Rosemary, Inc. shall be substituted as the Managing Member of The RK Culinary Group LLC in place of The RK Group.
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.

**IN WITNESS HEREOF**, the Parties have executed this First Amendment to be effective \_\_ day of August 2020.

**CITY OF SAN ANTONIO**

**CATERER**

By and through its Managing Member  
Catering by Rosemary, Inc.

\_\_\_\_\_  
Erik Walsh, City Manager

\_\_\_\_\_  
Greg Kowalski, President and CEO

**TEST:**

\_\_\_\_\_  
City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
City Attorney