

**CITY OF SAN ANTONIO  
INTERDEPARTMENTAL MEMORANDUM  
FINANCE DEPARTMENT**

**TO:** Mayor and City Council

**FROM:** Troy Elliot, Project Director, ERM Project; Rebecca Waldman, Director, Department of Asset Management

**THROUGH:** Terry M. Brechtel, City Manager

**COPIES:** J. Rolando Bono, Deputy City Manager; Erik J. Walsh, Assistant to the City Manager; City Attorney's Office; File

**SUBJECT:** Ordinance Authorizing a Renewal and Extension of Lease Agreement with Riverview Tower Partners, Ltd. for Office Space for the Enterprise Resource Management Project at 111 Soledad Street

**DATE:** April 29, 2004

**SUMMARY AND RECOMMENDATIONS**

An ordinance approving a Renewal and Extension of Lease Agreement between Riverview Tower Partners, Ltd., a Texas Limited Partnership, the present Landlord, and the City of San Antonio, as Tenant, renewing and extending the term of that certain Lease Agreement between Mack-Cali Texas Property, L.P., predecessor in title to the present Landlord, and Tenant, approved by Ordinance No. 95657 dated April 25, 2002 for the rental of approximately 14,928 gross square feet of office space described as Suite 900 being used for the ERM Project at the rent rate of \$14.50 per gross square foot per year, or \$18,038.00 per month, in a building located at 111 Soledad Street, known as the Riverview Office Building, located in City Council District 1, for six (6) months commencing on June 1, 2004.

Staff recommends the approval of this ordinance.

**BACKGROUND**

In 2001, City Council approved the initial phases of the Enterprise Resource Management (ERM) Project. In November 2002, City Council approved a lease for office space on the 9<sup>th</sup> floor of Riverview Tower located at 111 Soledad for the ERM Project with an initial lease term of twenty-five (25) months, which will end May 31, 2004. The lease contained a provision that offered the City three optional six-month renewal periods at predetermined rent rates. Therefore, this item will exercise the first, six-month renewal period commencing June 1, 2004 and expiring October 31, 2004.


Approval of this ordinance is a continuation of City Council policy to support the ERM Project.

Under the terms of the lease agreement, the City will pay an annual rent rate of \$14.50 per square foot for the 14,928 square feet of office space, for a monthly rental amount of \$18,038. In addition, the Landlord will be responsible for all operating expenses (maintenance, insurance charges, janitorial charges, utilities, and taxes) for the lease term subject to escalation after the base year of the term. The ERM Project has sufficient funds in the FY 2004 budget for the lease expenses.

This agenda item has been coordinated with the Department of Asset Management and City Attorney's Office.

The required Ethics Ordinance Disclosure Statement form is attached.

Rebecca Waldman  
Rebecca Waldman, Director  
Asset Management Department

  
Erik J. Walsh  
Assistant to the City Manager

Approved:

## RENEWAL AND EXTENSION OF LEASE AGREEMENT

ERM PROJECT  
Riverview Office Building

STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS

COUNTY OF BEXAR

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This Renewal and Extension of Lease Agreement is made and entered into by and between **Riverview Tower Partners, Ltd.**, a Texas Limited Partnership, ("Landlord"), and the **City Of San Antonio**, a Texas Municipal Corporation, ("Tenant"), acting by and through its City Manager, or her designee, pursuant to Ordinance No. \_\_\_\_\_ dated \_\_\_\_\_ 2004, for the purpose of renewing and extending that certain Lease Agreement between Mack-Cali Texas Property, L.P., predecessor in title to the present Landlord, and Tenant, approved by Ordinance No. 95657 dated April 25, 2002 for the rental of office space described as Suite 900 ("Leased Premises"), in a building located at 111 Soledad Street, San Antonio, Bexar County, Texas, known as the Riverview Office Building, and is as follows:

### I. RENEWAL AND EXTENSION

Tenant has timely notified Landlord in writing of Tenant's intent to renew and extend the terms of that certain Lease Agreement (hereafter "Lease"), subject to the approval of the City of San Antonio City Council, as evidenced by passage of the ordinance referenced above, such right to renew and extend having been granted by Landlord in **ARTICLE II. TERM/RENEWAL, Section 2.3 RENEWAL OPTION.** of the original Lease, the terms of which Lease are incorporated herein by reference for all purposes.

The parties hereby agree that the Primary Term of said Lease, as originally stated in **ARTICLE II. TERM/RENEWAL, Section 2.1**, is hereby extended for six (6) months ("Renewal Term"). In accordance therewith, **Section 2.1** is hereby amended to read as follows:

" **2.1 RENEWAL TERM.** The Renewal Term (also referenced herein as "Lease Term") of this Lease shall be for a period commencing on June 1, 2004 ("Commencement Date") and ending six (6) months after such Commencement Date, unless such Lease Term is sooner terminated as hereinafter provided."

### II. RENT

The parties further agree that the "Base Rent", set forth in **ARTICLE V. RENT/TAXES/PARKING, Section 5.1** is modified to read as follows:

"**5.1 Rent.** Tenant agrees to pay Landlord rent ("Base Rent") during the first Renewal Term as follows:

"Office rentable area of approximately 14,928 gross square feet at the rate of \$14.50 per gross square foot per year, being approximately \$1.208 per gross square foot per month or a total of \$ 18,038.00 per month. Payment of Base Rent will begin June 1, 2004.

"Base rent shall be due and payable in each instance, on or before the first day of each succeeding calendar month during the Lease Term and shall be sent to Landlord at the following address:

Riverview Tower Partners, Ltd.  
c/o Primera Partners, L.L.C.  
111 Soledad, Suite 1725  
San Antonio, Texas 78205

"Such address shall replace the address set forth in ARTICLE XXXIII. of the Lease."

Landlord and Tenant agree that all references in Section 5.1 **Rent**. of the Lease which set forth what is included in the Base Rent and also the Base Rent rates for the second Renewal Term and third Renewal Term shall remain as originally stated in said Lease.

Landlord and Tenant further agree that the Real Estate Broker's Commissions, as referenced in **ARTICLE XXVII. REAL ESTATE BROKER'S COMMISSIONS**, Section 27.1 of the Lease is modified to read as follows:

"27.1 Any commissions to be paid to Primera Partners, L.L.C. and Providence Commercial Real Estate Services/ The Weitzman Group, Joint Venture, licensed Texas Real Estate Brokers, in connection with this Renewal and Extension of Lease Agreement shall be as determined by Landlord, pursuant to a new separate agreement or agreements with either or both brokers. Otherwise, Tenant has not retained, contracted or otherwise dealt with any other real estate broker, salesperson or finder in connection with this Renewal and Extension of Lease Agreement."

#### **IV. SAME TERMS AND CONDITIONS**

All other covenants, terms, conditions and obligations contained in the original Lease Agreement shall remain in full force and effect except as modified by this Renewal and Extension of Lease Agreement.

#### **V. EFFECTIVE DATE**

The Effective Date herein shall be ten (10) days after the date of passage of the 2004 Ordinance referenced above.

#### **LANDLORD:**

**Riverview Tower Partners, Ltd.,  
a Texas Limited Partnership**  
By: Riverview Tower GP, LLC, a Texas  
limited liability company, its general  
partner

By: Charles B. Brown  
Name: Charles B. Brown  
Title: Manager  
Date: 4/16/04

#### **TENANT:**

**CITY OF SAN ANTONIO,  
a Texas Municipal Corporation**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_ City Manager  
Date: \_\_\_\_\_

#### **ATTEST:**

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

#### **APPROVED AS TO FORM:**

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

**City of San Antonio**  
**Discretionary Contracts Disclosure\***

*For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2  
Attach additional sheets if space provided is not sufficient.  
State "Not Applicable" for questions that do not apply.*

*\* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.*

**Disclosure of Parties, Owners, and Closely Related Persons**

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

<del>None</del> CB      CHARLES B. BROWN
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(2) the identity of any business entity that would be a party to the discretionary contract:

<del>None</del> CB      PRIMERA PARTNERS
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and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract;

<del>None</del>
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and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract;

<del>None</del>
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<sup>1</sup> A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

### Political Contributions

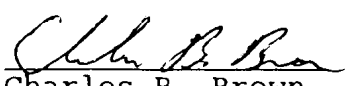
Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
<u>None</u>		

### Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question<sup>2</sup> as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

None

<u>None</u>		
Signature:  Charles B. Brown	Title: Manager  Company: Riverview Tower Partners, Ltd.	Date: 4/7/04

<sup>2</sup> For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.