

***CITY OF SAN ANTONIO  
OFFICE OF THE CITY ATTORNEY  
CITY COUNCIL AGENDA MEMORANDUM***

**TO:** Mayor and City Council

**FROM:** Martha G. Sepeda, Acting City Attorney

**COPIES TO:** Christopher J. Brady, Assistant City Manager

**SUBJECT:** Additional funds for Bracewell & Giuliani, LLP, outside counsel for the Convention Center Headquarters Hotel Project

**DATE:** May 5, 2005

**SUMMARY AND RECOMMENDATIONS**

This ordinance will amend the legal services contract with Bracewell & Patterson, LLP for work in connection with the Convention Center Headquarters Hotel Project previously approved by City Council, to identify the new firm name of Bracewell & Giuliani, L.L.P and increase the previously approved transaction budget by an additional \$200,000.00 for a total budget of \$450,000.00 to be paid by the Developer, Hotel Investments, L.P., utilizing private contract revenue bonds.

Staff recommends approval of this ordinance.

**BACKGROUND INFORMATION**

On December 21, 2004, City Council selected FaulknerUSA as the preferred developer with whom to negotiate the development of the Convention Center Headquarters Hotel (the "Project"). The Project will be built on City property adjacent to the Henry B. Gonzalez Convention Center and privately owned by Hotel Investments, L.P., (the "Developer") the partnership created by Faulkner for this Project. Due to the complexity of the Project, City Council also authorized on that day the retention of Bracewell & Patterson, L.L.P. to draft and negotiate numerous documents required for the transaction, including a Project Agreement detailing requirements for the design and construction of the Hotel and a Ground Lease and License Agreement.

The City Council selected Bracewell & Patterson, L.L.P., now Bracewell & Giuliani, L.L.P., to undertake this assignment based on the firm's experience representing the City of San Antonio during prior efforts to develop a Convention Headquarters Hotel. The firm's lead attorney on this matter has been Thomas O. Moore who is board certified in Commercial Real Estate Law by the Texas Board of Legal Specialization. He has been assisted with document drafting and negotiations by Ron Erlichman, who together with Mr. Moore, is experienced in negotiating and drafting complex real estate development and lease agreements.

## **POLICY ANALYSIS**

In addition to drafting and negotiating the Project Agreement and the Ground Lease, which set out the core legal obligations for this Project, outside counsel has participated in the negotiation of multiple legal documents required for the funding and operation of the proposed Headquarters Hotel. The recently approved insert to the Project Agreement relating to the contingent payment of prevailing wages, as well as a Room Blocking Agreement, Economic Development Agreement, Continuing Disclosure Agreement, Letter of Credit and Equity Delivery Agreement are just a few of the Project documents requiring the legal service of the Bracewell lawyers. Additional hours spent on all aspects of the Project and the required time needed to complete tasks prior to the scheduled closing of June 8, 2005 requires the transaction budget for the Project to be increased at this time.

## **FISCAL IMPACT**

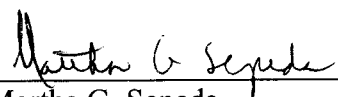
All professionals who are providing services in connection with this Project, including transactional lawyers, bond counsel, financial advisors, and the hotel consultant will be paid by the Developer using private contract revenue bonds. Accordingly, the proposed budget increase will have no fiscal impact on any City funds.

## **COORDINATION**

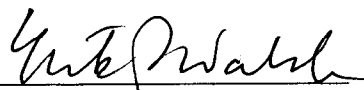
This Council action has been coordinated with the City Manager's Office and the Economic Development and Finance Departments.

## **SUPPLEMENTARY COMMENTS**

An updated Ethics Disclosure Form is attached.

  
\_\_\_\_\_  
Martha G. Sepeda  
Acting City Attorney

Approved:

  
\_\_\_\_\_  
J. Rolando Bono  
Interim City Manager

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

*For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)  
Attach additional sheets if space provided is not sufficient.*

(1) Identify any individual or business entity<sup>1</sup> that is a **party** to the discretionary contract:

Bracewell & Giuliani LLP, f/k/a Bracewell & Patterson, L.L.P., is the business entity that is the party to the discretionary contract.

(2) Identify any individual or business entity which is a **partner, parent** or **subsidiary** business entity, of any individual or business entity identified above in Box (1):

☐ No partner, parent or subsidiary; or

List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

See attached list of Bracewell & Giuliani LLP partners at Exhibit A.

(3) Identify any individual or business entity that would be a **subcontractor** on the discretionary contract.

☒ No subcontractor(s); or

List subcontractors:

(4) Identify any **lobbyist** or **public relations firm** employed by any party to the discretionary contract for purposes related to seeking the discretionary contract.

☒ No lobbyist or public relations firm employed; or

List lobbyists or public relations firms:

<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. A sole proprietor should list the name of the individual and the d/b/a, if any.

**(5) Political Contributions**

List all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made 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 Box (1), (2), (3) or (4) above, or by the officers, owners of any business entity listed in Box (1), (2) or (3):

☐ No contributions made; If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
See attached list at Exhibit B.			

**(6) Disclosures in Proposals**

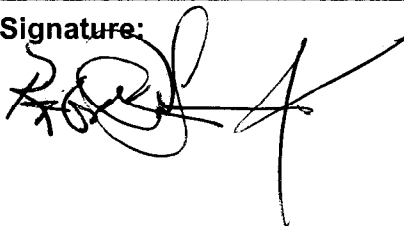
Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question<sup>2</sup> as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), ("conflicts of interest") by participating in official action relating to the discretionary contract.

☒ Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

This form is required to be supplemented in the event there is any change in the information 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, whichever occurs first.

**Signature:**



**Title:** For Partner in Charge  
– San Antonio Office

**Company or D/B/A:**  
Bracewell & Giuliani LLP

**Date:**

May 2, 2005

<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.

Office	Name
Austin	Adkins, Thomas W.
Austin	Barrera, Ruben R.
Austin	Benesh, W. S.
Austin	Ford, Joseph M.
Austin	Fox, Paul W.
Austin	Gourley, Lacey L.
Austin	Groten, Eric
Austin	Hegland, Roberta J.
Austin	McHugh, Colleen .
Austin	Ramirez, Kenneth R.
Austin	Ricketts, Philip F.
Austin	Taylor, Andrew M.
Austin	Watson, Robert A.
Dallas	Bailey, Kennon B.
Dallas	Boone, Gayle A.
Dallas	Brown, Sanford M.
Dallas	Davis, Janice Z.
Dallas	Dinnin, Michael L.
Dallas	Guerin, Charles A.
Dallas	Knowles, Mark B.
Dallas	Kyle, Alfred G.
Dallas	Millard, William H.
Dallas	Rentzel, Christopher H.
Dallas	Scott, Lynn R.
Dallas	Stricklin, Samuel M.
Dallas	Tankersley, Michael W.
Dallas	Whitaker, Elizabeth D.
Dallas	Williams, Lon R.
Dallas	Wisk, Allan C.
Houston	Aksamit, Roger D.
Houston	Aldis, Jay R.
Houston	Anderson, William S.
Houston	Ballard, Glenn A.
Houston	Barr, John H.
Houston	Blanco, Ileana M.
Houston	Bland, John L.
Houston	Bopp, Gregory M.
Houston	Borreca, Christopher P.
Houston	Bradley, James E.
Houston	Brantley, John R.

Office	Name
Houston	Brenner, Margaret T.
Houston	Brown, Heather L.
Houston	Brown, Lisa A.
Houston	Carter, Lesa L.
Houston	Clarke, Robert L.
Houston	Connelly, Michael C.
Houston	Crain, Stephen B.
Houston	Dade, W. C.
Houston	Daniels, Douglas A.
Houston	Dumesnil, Bryan S.
Houston	Edison, Andrew M.
Houston	Evans, Mark C.
Houston	Fraissinet, Philip D.
Houston	Frels, Kelly
Houston	Gilbert, Christopher B.
Houston	Giles, Neil E.
Houston	Giraud, Charles W.
Houston	Glover, Randall K.
Houston	Gonsoulin, Dewey J.
Houston	Gonzalez, George Y.
Houston	Gunter, J. C.
Houston	Gutermuth, William D.
Houston	Halevy, Amy K.
Houston	Harris, Warren W.
Houston	Hayes, William J.
Houston	Herring, Laura B.
Houston	Hester, Tracy D.
Houston	Hodgins, David B.
Houston	Hollingsworth, Jarvis V.
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Houston	Horton, Janet L.
Houston	Hull, Robert J.
Houston	Hunt, Martin J.
Houston	Jacobs, Jennifer W.
Houston	Jocz, Bruce R.
Houston	Kaim, Henry J.
Houston	Keneally, Walter S.
Houston	Kennedy, Ross D.
Houston	Kimball, Albert B.
Houston	Kneese, V. S.

Office	Name
Houston	Kuhn, Michael
Houston	Kurtz, Marcy E.
Houston	Locascio, David W.
Houston	Long, Geoffrey A.
Houston	Luedke, William T.
Houston	Manford, Thomas D.
Houston	Marston, Edgar J.
Houston	McAnelly, W. J.
Houston	McBride, Ralph D.
Houston	McDowell, David T.
Houston	Miles, Robin J.
Houston	Moore, Thomas O.
Houston	Muzzy, Gray H.
Houston	Nichols, Robert S.
Houston	Orloff, Gary W.
Houston	Oxford, Patrick C.
Houston	Ozdogan, Mary C.
Houston	Parsons, Katherine D.
Houston	Patman, Carrin F.
Houston	Rafte, G. A.
Houston	Renfroe, Tracie J.
Houston	Rhebergen, Constance G.
Houston	Rice, Richard C.
Houston	Roffwarg, Aaron P.
Houston	Sampson, Phillip L.
Houston	Sanders, Scott C.
Houston	Schneider-Vogel, Merri
Houston	Scott, Ronald
Houston	Sharp, Phillip D.
Houston	Sholeen, Eden P.
Houston	Spalding, Andrew F.
Houston	Stephens, Robert G.
Houston	Stephenson, Phyllis P.
Houston	Still, Charles H.
Houston	Symonds, Margaret B.
Houston	Telle, Michael S.
Houston	Temple, Tracy C.
Houston	Thompson, Clark G.
Houston	Thompson, J. D.
Houston	Tobor, Ben D.

Office	Name
Houston	Tomlinson, Thomas M.
Houston	Vest, G. W.
Houston	Visage, Tony L.
Houston	Vittor, Jose L.
Houston	Wege, Mark W.
Houston	Whittle, Jeffrey S.
Houston	Wilde, Carlton
Houston	Wilkins, Timothy A.
Houston	Witschey, R. D.
Houston	Wood, William A.
Kazakhstan	Couch, John A.
Kazakhstan	Vojack, Gregory J.
New York	Connolly, Daniel S.
New York	Giuliani, Rudolph W.
New York	Hess, Michael D.
San Antonio	Bannwolf, Timothy H.
San Antonio	Barrera, Mario A.
San Antonio	Barrera, Ruben R.
San Antonio	Byrd, Leslie S.
San Antonio	Danysh, Richard C.
San Antonio	Garcia, Victoria M.
San Antonio	Harris, J. J.
San Antonio	Johnson, Russell S.
San Antonio	Jones, Mark A.
San Antonio	Kizziar, James H.
San Antonio	Ruttenberg, Frank Z.
San Antonio	Smith, Annalyn G.
San Antonio	Wells, J. T.
Washington	Anikeeff, Anthony H.
Washington	Bethune, Edwin R.
Washington	Brack, William T.
Washington	Chapman, James L.
Washington	Cope, John R.
Washington	Ewing, Kevin A.
Washington	Foote, George M.
Washington	Godley, Gene E.
Washington	Hogwood, Stephen F.
Washington	Horn, Richard D.
Washington	Israel, Benjamin L.
Washington	Jaeger, Lisa M.



Office	Name
Washington	Kearney, Andrea M.
Washington	Krachman, Albert B.
Washington	Lister, Penelope M.
Washington	Nelson, Nancy J.
Washington	Nido, Luis M.
Washington	O'Connor, Nancy M.
Washington	Pate, Michael L.
Washington	Petersen, John C.
Washington	Racicot, Marc F.
Washington	Rich, Randall S.
Washington	Segal, Scott H.
Washington	Shoneman, Charles H.
Washington	Watkiss, Jeffrey D.
Washington	Williams, George H.
Washington	Wodka, Nancy A.
Washington	Zipp, Joel F.

### POLITICAL CONTRIBUTIONS

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
J. Tullos Wells	Patti Radle	\$500.00	May 9, 2003
Various contributors*	Art Hall	\$600.00	As reported in October 31, 2003 report
Various contributors*	Carroll Schubert	\$2,900.00	As reported in October 31, 2003 report
Various contributors*	Roger Perez	\$500.00	As reported in October 31, 2003 report
Various contributors*	Patti Radle	\$1,200.00	As reported in October 31, 2003 report
Various contributors*	Roger Flores, Jr.	\$250.00	As reported in October 31, 2003 report
George P. Parker, Jr.	Phil Hardberger	\$500.00	May 24, 2004
Various contributors*	Art Hall	\$100.00	As reported in June 10, 2004 report
Various contributors*	Patti Radle	\$1,200.00	As reported in June 10, 2004 report
Various contributors*	Roger Perez	\$500.00	As reported in June 10, 2004 report
Various contributors*	Roger Flores, Jr.	\$250.00	As reported in June 10, 2004 report
James H. Kizziar, Jr.	Carroll Schubert	\$500.00	July 19, 2004
J. Tullos Wells	Carroll Schubert	\$2,500.00	July 28, 2004
Various contributors*	Phil Hardberger	\$750.00	As reported in December 15, 2004 report
Various contributors*	Carroll Schubert	\$7,351.93	As reported in December 15, 2004 report
George P. Parker, Jr.	Phil Hardberger	\$500.00	January 24, 2005
J. Tullos Wells	Joel Williams	\$250.00	March 7, 2005
Mario A. Barrera	Roger Flores	\$100.00	March 14, 2005
George P. Parker, Jr.	Phil Hardberger	\$500.00	April 14, 2005
Frank Z. Ruttenberg	Phil Hardberger	\$1,000.00	Within the last 24 months
Russell S. Johnson	Phil Hardberger	\$500.00	Within the last 24 months

\*Data on individual contributor no longer available.

**EXHIBIT B**