

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

CONSENT AGENDA  
ITEM NO. **37**

**TO:** Mayor and City Council

**FROM:** Gayle McDaniel, Assistant to the City Council

**SUBJECT:** ORDINANCE FOR LEASE SPACE – MAYOR'S CONSTITUENT OFFICE

**DATE:** December 1, 2005

**SUMMARY & RECOMMENDATION**

This ordinance authorizes the third renewal and extension of a lease agreement between the City of San Antonio and C.A.N. Industries, Inc. for lease space at 1325 N. Flores St., Suite 102 for the Mayor's Constituent Office. The terms of the renewal agreement provide for a lease period of January 1, 2006 through December 31, 2007 with a rental rate of \$1,716 per month and include one additional two-year renewal period, subject to City Council approval and contingent upon appropriation of funds.

Further, this ordinance authorizes up to a six month holdover period and at the same rent as the last month of the renewal term without further Council action.

Staff recommends approval of this ordinance.

**POLICY ANALYSIS**

For the past several years, the Mayor and Councilmembers have been encouraged to establish a Constituent Office within their districts in order to enhance community outreach efforts and to be more visible and accessible to their constituents.

When the councilmember elects to open a constituent office, staff of the Asset Management Department and the Assistant to City Council work with the councilmember to identify locations, prepare and coordinate lease agreements, renewals and terminations as appropriate and in conformance with City policies for lease of properties.

Lease of this space for the Mayor's constituent office was initially approved in Ordinance 95161, dated January 10, 2002. Subsequently, two additional one-year renewal terms have been submitted for council consideration with the second renewal term approved on August 7, 2003.

**FINANCIAL ANALYSIS**

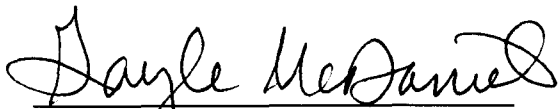
The Mayor's Constituent and District Office budgets were approved in the FY 2005-06 Adopted Budget. This renewal allows for an increase from the current monthly rate of \$1,500 to \$1,716 and sufficient funds exist to cover the FY06 annual lease cost of \$20,160.

### **COORDINATION**

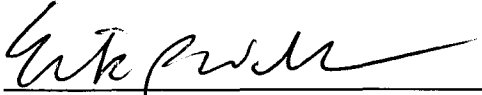
This ordinance has been coordinated with the Mayor's Office, Asset Management Department, Office of Management and Budget and the City Attorney's Office.

### **SUPPLEMENTARY COMMENTS**

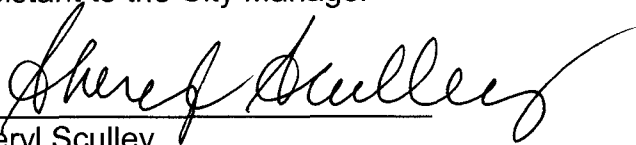
The required Discretionary Contracts Disclosure Form is attached for C.A.N. Industries, Inc.



Gayle McDaniel  
Assistant to the City Council



Erik Walsh  
Assistant to the City Manager



Sheryl Sculley  
City Manager

### **3<sup>rd</sup> Renewal, Extension, and Modification of Lease Agreement (Mayor's Office)**

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This 3<sup>rd</sup> Renewal, Extension, and Modification of Lease Agreement is entered into between Landlord and the City of San Antonio, a Texas Municipal Corporation, P.O. Box 839966, San Antonio, Texas 78283-3966 (Tenant), pursuant to the Ordinance Authorizing Renewal and Extension.

#### **1. Identifying Information.**

**Landlord:** C.A.N. Industries, Inc.

**Landlord's Address:** 1325 N. Flores St., Suite 102, San Antonio, Texas 78212

**Lease:** Lease Agreement (1344 S. Flores Street, Mayor's Office) dated January 29, 2002 between Landlord and Tenant, as identified in this Renewal, relating to approximately 1,310 gross square feet in a building located at 1344 S. Flores, Street, San Antonio, Bexar County, Texas.

**Ordinance Authorizing  
Original Lease (No. & Date):** 95161, dated January 10, 2002

**Ordinance Authorizing 1<sup>st</sup>  
Renewal (No. & Date):** 96748, dated November 14, 2002

**Ordinance Authorizing 2<sup>nd</sup>  
Renewal (No. & Date):** 97963, dated August 7, 2003

**Ordinance Authorizing 3<sup>rd</sup>  
Renewal (No. & Date):**

**Beginning of 3<sup>rd</sup> Renewal  
Term** January 1, 2006

**Expiration of 3<sup>rd</sup> Renewal  
Term** December 31, 2007

#### **2. Defined Terms.**

All terms used in this instrument and not otherwise defined herein but defined in the Lease or any previous amendment to it have the meanings previously ascribed to them.

#### **3. Renewal and Extension.**

The term of the lease is extended from the Beginning of the Renewal Term through and including the Expiration of the Renewal Term.

#### **4. Rent.**

From the Beginning of the Renewal Term to the Expiration of the Renewal Term, Tenant must pay to Landlord monthly rent of \$1,716 at the time, place, and manner described in the Lease for the payment of rent.

#### **5. Further Renewals.**

**5.01.** If Tenant is current on rent and subject to the parties' agreement on rent, Tenant has the right to renew this lease for an additional period of two years after Tenant's right of occupancy under this renewal expires. Except for rent, the renewal will be on the same terms and conditions as the Lease, as previously amended.

**5.02.** If Tenant exercises the first two year renewal granted in the immediately preceding paragraph, if Tenant is current on rent and subject to the parties' agreement on rent, Tenant has the right to renew this lease for a second period of two years after Tenant's right of occupancy under the preceding renewal expires. Except for rent, the renewal will be on the same terms and conditions as the Lease, as previously amended.

#### **6. Holdover Periods.**

If the Lease has not been earlier terminated according to its terms and Tenant is current on rent, after the renewal effected by this instrument and after any further renewals specifically provided for in this instrument, Tenant may hold-over for up to six additional months on a month-to-month basis. Tenant need not give advance notice of intent to exercise this hold-over right to perfect entitlement to it. The rent during any such holdover is the same as the rent for the term being held-over, and all other terms of this Lease, as amended, apply. Council's authorization of this 3<sup>rd</sup> Renewal, Extension, and Modification is authority for the City as Tenant to enter into the hold-over period if staff and the Mayor deem it beneficial without further council action.

#### **7. No Default.**

Neither Landlord nor Tenant is in default under the Lease, and neither party is aware of a cause of action against the other arising out of or relating to the period before this renewal and extension.

**8. Same Terms and Conditions.**

This renewal, extension, and modification instrument is a fully integrated statement of the current modifications to the Lease. Except as expressly modified by this instrument, the Lease, as previously amended, remains a comprehensive statement of the rights and obligations of Landlord and Tenant. Landlord and Tenant reaffirm the Lease as previously amended and as modified by this agreement.

**Tenant**

**Landlord**

**City of San Antonio, a Texas municipal corporation**

**C.A.N. Industries, Inc.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed  
Name: \_\_\_\_\_

Printed

Name: Charles A. Acuña

Title: \_\_\_\_\_

Title: President

Date: \_\_\_\_\_

Date: 11-16-05

**Attest:**

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

**Approved as to Form:**

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

**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:

C.A.N. INDUSTRIES, INC.  
A TEXAS CORPORATION - LESSOR

(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:

(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:

**(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.

<b>Signature:</b> 	<b>Title:</b> <i>President</i> <b>Company or D/B/A:</b> <i>C.A.N. Industries Inc.</i>	<b>Date:</b> <i>11-16-05</i>
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<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.