

AN ORDINANCE 2013-02-21-0126

AUTHORIZING AMENDMENTS TO EXISTING LEASES BETWEEN RIVERVIEW TOWER PARTNERS, LTD., AND THE CITY OF SAN ANTONIO FOR RELOCATING THE INFORMATION TECHNOLOGY SERVICES DEPARTMENT FROM THE 9TH FLOOR TO THE 7TH FLOOR INTO A SIMILAR SIZE OFFICE SPACE OF 14,928 SQUARE FEET FOR A FIVE-YEAR TERM AND EXTENDING THE EXISTING LEASE AGREEMENTS FOR FINANCE ADMINISTRATION, FINANCE PURCHASING AND AUDITOR DEPARTMENTS FOR AN ADDITIONAL TWO YEARS ALL LOCATED IN THE RIVERVIEW TOWER BUILDING.

* * * * *

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager and her designee, severally, are authorized and directed to execute and deliver on behalf of the City an instrument in substantially the form attached as **Attachment I**, which is incorporated for all purposes as if fully set forth. The City Manager and her designee, severally, should take all other actions conducive to effectuate the transaction, including agreeing to non-material changes to the approved form and executing and delivering ancillary documents and instruments conducive to effectuating the transaction.

SECTION 2. Funding in the amount of \$256,721.84 for this ordinance is available in Fund 74001000, Cost Center 0904020001 and General Ledger 5206010, as part of the Fiscal Year 2013 Budget.

SECTION 3. Payment not to exceed the budgeted amount is authorized to the order of Riverview Towers Partners, Ltd. and should be encumbered with a purchase order.

SECTION 4. Funding in the amount of \$153,160 for the one-time expenses for this ordinance is available in Fund 74001000, Cost Center 0905010001 and General Ledger 5202020, as part of the Fiscal Year 2013 Budget.

SECTION 5. Payment not to exceed the budgeted amount is authorized and should be encumbered with a purchase order.

SECTION 6. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 7. This ordinance becomes effective 10 days after passage, unless it receives the eight votes requisite to immediate effectiveness under San Antonio Municipal Code § 1-15, in which case it becomes effective immediately.

PASSED AND APPROVED this 21st day of February 2013.

M A Y O R
Julián Castro

Approved As To Form:

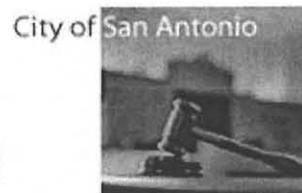
Michael D. Bernard, City Attorney

Attest:

Leticia M. Vacek, City Clerk



Request for
**COUNCIL
ACTION**



Agenda Voting Results - 11

Name:	11						
Date:	02/21/2013						
Time:	10:36:24 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing an amendment to existing lease agreements between Riverview Tower Partners, Ltd., and the City of San Antonio for the relocation of the Information Technology Services Department from the 9 th floor to the 7 th floor into a similar size office space of 14,928 square feet for a five-year term and to extend the existing lease agreements for Finance Administration, Finance Purchasing and Auditor departments for an additional two years all located in the Riverview Tower Building. [Ben Gorzell, Chief Financial Officer; Jorge Perez, Director, Building and Equipment Services]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor	x					
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Leticia Ozuna	District 3		x				
Rey Saldaña	District 4		x				
David Medina Jr.	District 5		x				x
Ray Lopez	District 6	x					
Cris Medina	District 7	x					
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x			x	
Carlton Soules	District 10		x				

Attachment I

2012 Combined Agreement Relating to Existing Leases (Riverview Towers/COSA)

Background:

Tenant leases multiple suites from Landlord in the Riverview Tower office building located at 111 Soledad, San Antonio, Texas.

Landlord and Tenant wish to make adjustments to several of its leases with Landlord in one document.

This instrument is intended to memorialize the agreement of Landlord and Tenant regarding the affected leases.

Rights and Obligations:

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1. Parties and General Information.

Authorizing Ordinance:

Landlord: Riverview Tower Partners, Ltd.

Landlord's Address: 111 Soledad, San Antonio, Texas 78205

Tenant: City of San Antonio

Tenant's Address: P.O. Box 839966, San Antonio, Texas 78283-3966
(Attention: Director, Building and Equipment Services)

Effective Date: The effective date of the Authorizing Ordinance

2. Fifth Renewal and Amendment of Lease A.

2.01. Identification of and General Terms of Lease A (ITSD Lease).

Lease A: Lease Agreement (ITSD, formerly ERM Project, Riverview Office Building) dated April 25, 2002 between Mack-Cali Texas Property, L.P. as Landlord and the City of San Antonio as Tenant relating to 14,928 square feet, more or less, at 111 Soledad, San Antonio, Texas 78205

Ordinance Authorizing Original Lease A: 95657, April 25, 2002

1st Renewal: Renewal and Extension of Lease Agreement (ERM Project, Riverview Office Building) between Tenant and Riverview Tower Partners, Ltd. as successor in

interest to Mack-Cali Texas Property, L.P. and authorized by the Ordinance Authorizing 1st Renewal

Ordinance Authorizing 1st Renewal: 99119, April 25, 2004

2nd Renewal: Second Renewal and Extension of Lease Agreement (ERM Project, Riverview Office Building) between Landlord and Tenant and authorized by the Ordinance Authorizing 2nd Renewal

Ordinance Authorizing 2nd Renewal: 10092, May 26, 2005

3rd Renewal: Amendment to Lease Agreement (Riverview Towers/ERM) dated May 20, 2006 between Landlord and Tenant and Authorized by the Ordinance Authorizing 3rd Renewal

Ordinance Authorizing 3rd Renewal: 2006-05-18-0604

4th Renewal: 4th Renewal to Lease Agreement (Riverview Tower/ITSD) between Landlord and Tenant and authorized by the Ordinance Authorizing 4th Renewal

Ordinance Authorizing 4th Renewal: 2009-11-19-0934

Commencement Date: The earlier of a Certificate of Occupancy or Tenant's actual entering into possession of the Premises

Renewal Term: 60 Months

2.02. Defined Terms.

All terms defined in Lease A and not otherwise defined in this amendment have the meanings ascribed to them in Lease A. References to "Lease A" in this amendment include both the original Lease A and all previous renewals and amendments to it.

2.03. Extension of Term, Early Termination as to Lease A.

2.03.01. The term of Lease A is extended from the Commencement Date through the end of the Renewal Term. This extension is the second of the two extensions provided for in the 2nd Amendment and 3rd Renewal.

2.03.02. Tenant may terminate Lease A on not less than 180-days prior written notice as of the end of the 36th or the 48th month of the Renewal Term. To terminate as of the end of the 36th month, Tenant must pay Landlord an early termination fee of \$336,832.00. To terminate as of the end of the 48th month, Tenant must pay Landlord an early termination fee of \$181,647.00.

2.03.03. Landlord and Tenant will memorialize the Commencement Date by means of the Commencement Date Memorandum, and when executed by both parties, the Commencement Date Memorandum is conclusive of the actual Commencement Date.

2.04. Substitution of Lease A Premises.

The description of Premises and Leased Premises in all prior versions of Lease A is deleted, and the new Premises under Lease A are approximately 14,928 square feet constituting the 7th floor of Riverview Towers, 111 Soledad, San Antonio, Bexar County, Texas, as graphically depicted on **Exhibit A**.

2.05. Lease A Rent.

2.05.01. Lease A Base Rent during the Renewal Term is:

<i>Period</i>	<i>Annual Rent per Square Foot</i>	<i>Monthly Base Rent</i>
Months 1 to 30	\$17.50	\$21,770
Months 31 to 60	\$18.50	\$23,014

2.05.02. The Lease A Base Year for the Expense Stop provided for in section 3.5 of the Original Lease A is changed to 2013.

2.05.03. Tenant must pay Rent at the time and place required by Lease A from the Beginning of Renewal Term through and including the End of Renewal Term.

2.06. Further Renewal of Lease A.

2.06.01. If Tenant is not then in default under Lease A, Tenant may deliver to Landlord written notice of intent to renew Lease A for an additional five-year term. The notice must be delivered not less than 120 days before expiration of this renewal term. If Tenant does deliver such notice, then Tenant has the right to a five-year renewal, subject only to approval of Tenant's City Council. The renewal will be on the same terms as this renewal, except for the monthly rent.

2.06.02. If Lease A is further renewed, rent for the further renewal will be:

<i>Period</i>	<i>Annual Rent per Square Foot</i>	<i>Monthly Base Rent</i>
Months 1 to 30	\$18.00	\$22,392
Months 31 to 60	\$18.50	\$23,014

2.06.03. If Tenant takes this further renewal, Tenant may terminate Lease A during the further renewal at any time without penalty on not less than 180-days prior written notice.

2.08. Lease A Furniture Allowance.

Before the Commencement Date, Landlord must provide Tenant up to \$260,000 for furniture selected by Tenant. At expiration or other termination of Lease A, Landlord will retain all of the modular furniture purchased with the \$260,000 furniture allowance. Tenant may keep any chairs purchased with the furniture allowance.

2.09. Lease A Premises Finish-Out.

Landlord must timely complete at its own cost all work allocated to Landlord by the work letter attached as **Exhibit C**.

2.10. Asbestos Survey.

Landlord must, in accordance with the provisions of § 6-293 of the City Code of the City of San Antonio, Texas, deliver to Tenant an Asbestos Survey of the new Premises not later than 30 days before the Commencement Date.

3. 1st Extension of Lease B Term (Finance Lease).

3.01. Identification of and General Terms of Lease B.

Lease B: Office Lease (Riverview Tower/Finance Department) between Landlord and Tenant, relating to approximately 23,900 rentable square feet, consisting of all of the fourth and fifth floors, authorized by the Ordinance Authorizing Lease B. Exhibit B to Lease B restated the area of the Premises as 29,848.

**Ordinance Authorizing
Original Lease B:** 2006-11-30-1349

3.02. Extension of Lease B Term.

The term of Lease B is extended to expire on May 31, 2016. All other terms remain the same including rent.

3.03. Non-Termination of Lease B.

During the extended term provided for in this Agreement, Tenant may not terminate Lease B without cause.

3.04. Further Renewal of Lease B.

3.04.01. If Tenant is not then in default under Lease B, Tenant may deliver to Landlord written notice of intent to renew Lease B for an additional three-year term. The notice must be delivered not less than 120 days before expiration of this renewal term. If Tenant does deliver such notice, then Tenant has the right to a three-year renewal, subject only to approval of Tenant's City Council. The renewal will be on the same terms as this renewal, except rent.

3.04.02. If Lease B is further renewed, rent for the further renewal will be \$18.00 a square foot annually (\$44,772.00 monthly base rent) for the entire renewal term. Premises shall be taken on an as-is basis.

3.04.03. If Tenant takes this further renewal, Tenant may terminate Lease B during the further renewal term at any time without penalty on not less than 180-days prior written notice.

4. 2nd Extension of Lease C Term (Audit Lease).

4.01. Identification of and General Terms of Lease C.

Lease C: Lease Agreement between Landlord and Tenant pertaining to 8,302 square feet of space on the sixth floor of the office building located at 111 Soledad, San Antonio, Texas ("Building").

**Ordinance Authorizing
Lease C:** 96772, November 21, 2002

1st Amendment: Amendment to Lease Agreement between Landlord and Tenant pertaining to 8,302 square feet of space on the sixth floor of Building.

**Ordinance Authorizing
1st Amendment:** 99118, April 29, 2004

2nd Amendment: Renewal and 2nd Amendment to Lease Agreement (Riverview Tower Partners, Ltd./Internal Audit), increasing the size of the leased area by 2,414 square feet from 8,302 square feet to 10,716 square feet.

**Ordinance Authorizing
2nd Amendment** 2008-08-07-0641

3rd Amendment: 3rd Amendment to Amendment to Lease Agreement (Riverview Tower Partners, Ltd./Internal Audit) , increasing the size of the leased area by 2,474 square feet from 10,716 square feet to 13,190 square feet

**Ordinance Authorizing
3rd Amendment** 2010-06-03-0484

4th Amendment: 4th Amendment to Lease Agreement (Riverview Tower Partners, Ltd./Internal Audit), terminating a portion of the Premises and temporarily substituting part of the Premises

**Ordinance Authorizing
4th Amendment** 2011-11-03-0910

4.02. Extension of Lease C Term.

The term of Lease C is extended to expire on August 31, 2015. All other terms remain the same including rent.

4.03. Further Renewal of Lease C.

4.03.01. If Tenant is not then in default under Lease C, Tenant may deliver to Landlord written notice of intent to renew Lease C for an additional three-year term. The notice must be delivered not less than 120 days before expiration of this renewal term. If Tenant does deliver such notice, then Tenant has the right to a three-year renewal, subject only to approval of Tenant's City Council. The renewal will be on the same terms as this renewal, except rent.

4.03.02. If Lease C is further renewed, rent for the further renewal will be \$18.00 a square foot annually (\$12,453.00 monthly base rent) for the entire renewal term. Premises shall be taken on an as-is basis.

4.03.03. If Tenant takes this further renewal, Tenant may terminate Lease C during the further renewal term at any time without penalty on not less than 180-days prior written notice.

4.04. Non-Termination of Lease C.

During the extended term provided for in this Agreement, Tenant may not terminate Lease C without cause.

5. 1st Extension of Lease D Term (Purchasing - IGR - 311 Lease).

5.01. Identification of and General Terms of Lease D.

Lease D: Office Lease (Riverview Tower/Purchasing-IGR-311) between Landlord and Tenant and relating to approximately 20,852 rentable square feet consisting of Suites 1100 and 1600, in Riverview Tower

**Ordinance Authorizing
Lease D:** 2008-06-12-0528

5.02. Extension of Lease D Term.

The term of Lease D is extended to expire on September 30, 2016. All other terms remain the same including rent.

5.03.01. Further Renewal of Lease D.

5.03.01. If Tenant is not then in default under Lease D, Tenant may deliver to Landlord written notice of intent to renew Lease D for an additional three-year term. The notice must be delivered not less than 120 days before expiration of this renewal term. If Tenant does deliver such notice, then Tenant has the right to a three-year renewal, subject only to approval of Tenant's City Council. The renewal will be on the same terms as this renewal, except rent.

5.03.02. If Lease D is further renewed, rent for the further renewal will be \$18.00 a square foot annually (\$31,278.00 monthly base rent) for the entire renewal term. Premises shall be taken on an as-is basis.

5.03.03. If Tenant takes this further renewal, Tenant may terminate Lease D during the further renewal at any time without penalty on not less than 180-days prior written notice.

5.04. Non-Termination of Lease D.

During the extended term provided for in this Agreement, Tenant may not terminate Lease D without cause.

6. Additional Space for Training Rooms.

6.01. Option for Training Space.

Tenant has an option to lease from Landlord the space shown on **Exhibit F** ("Training Space"). Tenant may use and occupy the space without further documentation than this Agreement provided Tenant provides written notice to Landlord no later than 30-days prior to the Commencement Date. If Tenant exercises the option it must pay rent for the Training Space at the rate of \$3,525.00 monthly. Landlord may not lease the Training Space to a party other than the Tenant prior to the Commencement Date.

6.02. Termination of Tenant's Occupancy After Option Exercise.

If the option is exercised, either party may terminate Tenant's right to use and occupy the Training Space by delivering 30-days' prior written notice to the other.

7. Lease A, B, C & D Cleaning and Maintenance.

On all leases subject to this Agreement, Landlord must assure cleaning and maintenance services according to the cleaning and maintenance schedule attached as **Exhibit E**.

8. Substituted Insurance Language.

All leases subject to this Agreement contained language pertaining to Landlord's requirement to purchase insurance. In Lease A, that requirement was in subparagraph 19.3, in Lease B, the requirement was in subparagraph 11.02, in Lease C, the requirement was in subparagraph 19.3, and in Lease D, the requirement was in subparagraph 11.02 (collectively, "Previous Landlord Insurance Requirements"). The Previous Landlord Insurance Requirements are hereby deleted in their entirety and the following is substituted therefor:

Landlord will provide the following insurance coverages.

8.01. Landlord must maintain Commercial General Liability insurance of not less than \$2,000,000 per occurrence and property and casualty insurance for physical damage to the Premises in the amount of 80% of replacement cost.

8.02. Each insurance policy of Landlord required by this Lease must contain the following clauses:

“This insurance cannot be canceled, limited in scope or coverage, or non-renewed until after 60-days’ prior written notice has been given to:

Department of Building and Equipment Services
Leasing Division
114 West Commerce Street, Room 210
San Antonio, TX 78205

“The insurance provided by Landlord is primary to any insurance or self-insurance maintained by the City of San Antonio.”

“Any insurance or self-insurance maintained by the City of San Antonio applies in excess of, and does not contribute with, insurance provided by this policy.”

Each insurance policy required by this Lease must contain the following clause:

“The City of San Antonio, its officials, employees, representatives and volunteers are added as additional insureds as respects operations and activities of, or on behalf of, the named insured performed under this Lease with the City of San Antonio. This policy cannot be invalidated as to Tenant because of Landlord’s breach of representation, warranty, declaration, or condition of this policy.”

9. No Default.

Neither Landlord nor Tenant is in default under any lease subject to this agreement, and neither party is aware of a cause of action against the other arising out of or relating to the period before the date of Landlord’s signature on this amendment as to any of the subject leases.

10. Same Terms and Conditions.

This amendment is a fully integrated expression of the changes the parties intend to make to all the leases subject to this agreement, as previously amended. The parties acknowledge that, except as expressly set forth in this amendment, all the leases subject to this agreement as previously amended remain in full force and effect according to their terms, and the parties reaffirm the obligations thereof. Both Landlord and Tenant are bound thereby. There have been no amendments or other modifications to all the leases subject to this agreement except as expressly described in this amendment.

11. Miscellaneous.

11.01. *Applicable Law.* This Agreement is entered into in San Antonio, Bexar County, State of Texas. **Its Construction And The Rights, Remedies, And Obligations Arising Under It Are Governed by The Laws of The State Of Texas.** But the Texas conflicts of law rules must not be used to apply the laws of a jurisdiction other than Texas. Both parties’ obligations under this agreement are performable in San

Antonio, Bexar County, Texas, and venue for any action arising under this agreement is only in Bexar County, Texas.

11.02. *Severability.* If any part of this agreement is found invalid or unenforceable, the finding does not affect the remainder.

11.03. *Counterparts.* This Agreement may be executed in multiple counterparts, each of which is an original, whether or not all parties sign the same document. Regardless of their number, counterparts constitute only one agreement. In making proof of this agreement, one need not produce or account for more counterparts than necessary to show execution by or on behalf of all parties.

11.04. *Further Assurances.* The parties must execute and deliver such additional documents and instruments as may be necessary to effect fully the provisions hereof. But no such additional documents can alter the rights or obligations of the parties stated in this agreement.

11.05. *Administrative Agreements.* The Director of Building and Equipment Services may, without further council action, agree to, sign, and deliver on behalf of the City all consents, certificates, memoranda, estoppels, attornments, and modifications of nonmaterial rights and obligations arising under the leases and may declare defaults and pursue remedies for such defaults. This delegated authority includes that of agreeing to changes in the estimated construction schedule for the new Premises for Lease A. This does not authorize amendments or renewals without council consent.

11.06. *Conflicts Between Numbers Stated Two Ways.* Whenever there is a conflict between numbers stated more than one way, either by using both words and numerals or by stating a fixed amount and a calculation, the highest number controls.

11.07. *Incorporation of Exhibits.* All exhibits to this Agreement are incorporated into it for all purposes as if fully set forth.

12. Public Information.

Landlord acknowledges that this instrument is public information within the meaning of Chapter 552 of the Texas Government Code and accordingly may be disclosed to the public. Nothing in this agreement waives an otherwise applicable exception to disclosure.

Remainder of Page Intentionally Left Blank

13. Date of Amendment.

For purposes of reference, the date of this amendment is the date of the later of the signatures set forth below.

In Witness Whereof, the parties have caused their representatives to set their hands.

Landlord

Riverview Tower Partners, Ltd., a Texas limited partnership, by and through its sole general partner

Riverview Tower GP, LLC, a Texas limited liability company

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Tenant

City of San Antonio, a Texas municipal corporation

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Approved:

City Attorney

Attest:

City Clerk

Exhibit A: Lease A Premises Layout

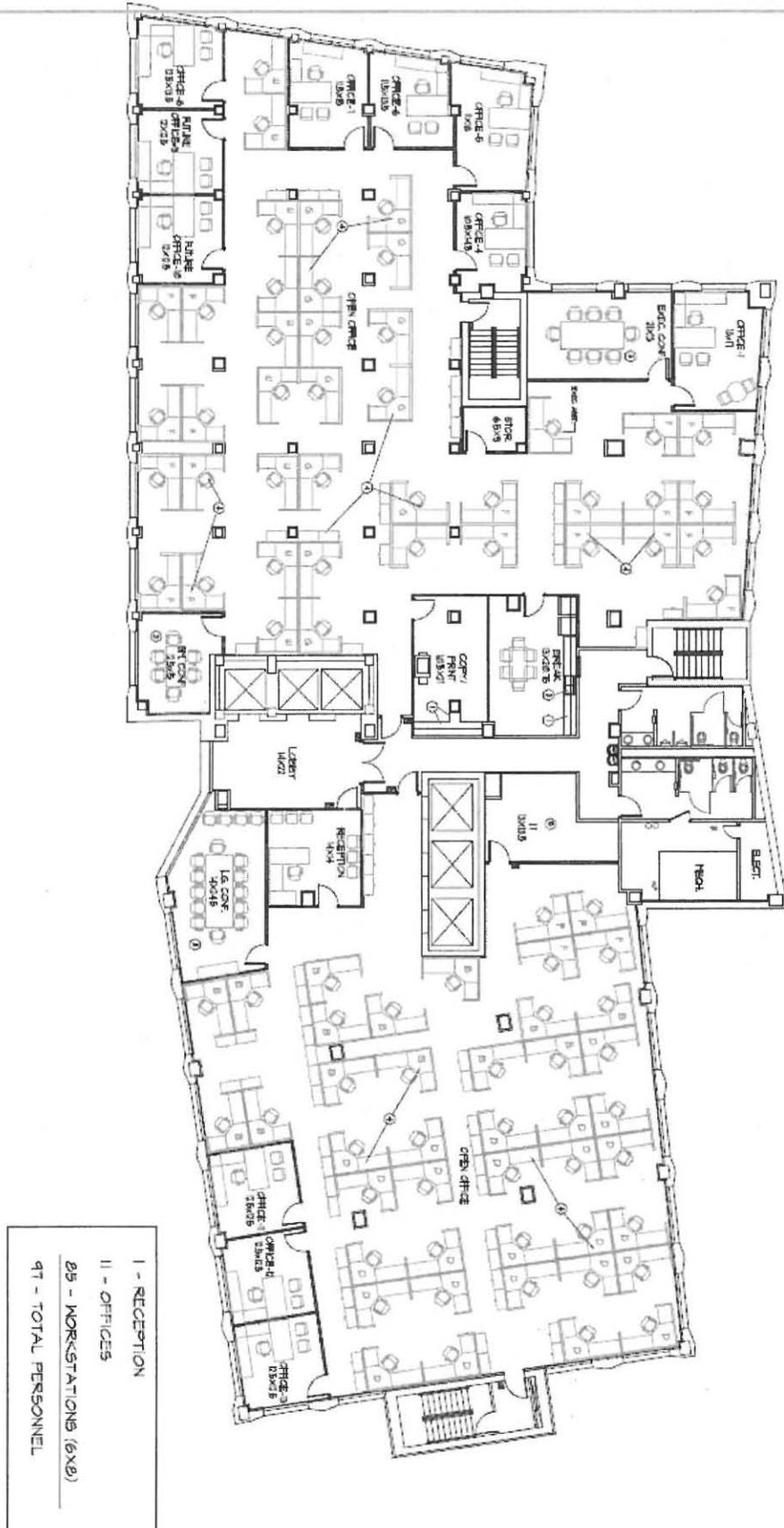


Exhibit B: Lease A Commencement Memorandum Form

Lease Commencement Memorandum

Landlord: Riverview Tower Partners, Ltd.

Tenant: City of San Antonio

Lease: Lease A under the 2012 Combined Agreement Relating to Existing Leases (Riverview Towers/COSA) between Landlord and Tenant

Authorizing Ordinance:

Predicate Facts:

Landlord and Tenant are parties to the Lease, which was authorized by the Authorizing Ordinance.

The Lease Term is to begin at the sooner to occur of (a) ??? date??? or (b) completion of certain work provided for in the Lease.

For their mutual benefit, the parties now wish to memorialize the actual commencement date of the Lease's Term.

Rights and Obligations:

Now Therefore, in consideration of the premises, the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Defined Terms.

All terms used in this memorandum and not otherwise defined herein but defined in the Lease have the meanings ascribed to them in that instrument.

2. Lease Commencement.

The Lease Term commences ??????.

3. No Default.

As a part of the inducement to Landlord to execute and deliver this consent, Assignor represents to Landlord and Assignee that:

- a. The Lease is in full force and effect according to its terms.
- b. Neither party is in default under the Lease.

c. Neither party has any offset or claim against the other that would reduce or impair its obligations under the Lease.

4. Conflict of Terms.

This instrument controls over anything to the contrary in the Lease.

In Witness Whereof, the parties have caused their representatives to set their hands.

Landlord

Tenant

Riverview Tower Partners, Ltd., a Texas limited partnership, by and through its sole general partner

City of San Antonio, a Texas municipal corporation

Signature: _____

Riverview Tower GP, LLC, a Texas limited liability company

Printed Name: _____

Signature: _____

Title: _____

Printed Name: _____

Date: _____

Title: _____

Approved:

Date: _____

City Attorney

Attest:

City Clerk

Exhibit C: Lease A Work Letter

This Work Letter is between Landlord and Tenant in connection with Lease A.

Landlord: Riverview Tower Partners, Ltd.

Tenant: City of San Antonio

Lease A: Riverview Towers/ITSD/7th Floor

1. *Definitions.* Capitalized words have the meanings ascribed to them in Lease A. If not defined in Lease A, they have the following meanings:

Construction Drawings: Construction-ready, detailed drawings of all partitions and work spaces approved by both Landlord and Tenant. The drawings must specify all interior and exterior work necessary to timely secure a Certificate of Occupancy and put the Premises in turn-key condition and in ADA compliance.

Final Plans: Construction Drawings approved by both Landlord and Tenant

Finish-out Work: All work necessary to implement the Final Plans in a good and workmanlike manner, whether or not specific tasks were foreseen.

Punch List: List of deficiencies in Finish-out Work.

2. *Performance of Finish-out Work.*

(a) Immediately after the Binding Date, Landlord and Tenant will seek agreement on a space plan on which to base the Construction Drawings. The Construction Drawings, when completed, must put the Premises substantially in the form shown on Exhibit A to Lease A.

(b) Tenant may specify the following details in the Construction Drawings:

(i) the location of file cabinets, special equipment, fixtures, and furniture;

(ii) the location of doors and windows;

(iii) electrical, air conditioning and plumbing requirements;

(iv) telephone equipment requirements and telephone outlet locations;

(v) electrical outlet and switch locations;

(vi) room sizes, configurations, and locations;

- (vii) interior and exterior lighting requirements;
 - (viii) cabinet work or other millwork requirements;
 - (ix) acoustical and special wall finish requirements;
 - (x) all interior and exterior finish colors and material selections; including but not limited to flooring, doors, door hardware and ceiling;
 - (xi) data wiring and computer locations,
 - (x) equipment specifications and locations;
 - (xi) location of entrances and floor design of the Premises;
 - (xii) interior signs.
- (c). The Construction Drawings must substantially reflect the following:

GENERAL CONDITIONS:

1. These notes are for preliminary pricing only and not for construction. Contractor to visit site and verify existing conditions.
2. Modify existing HVAC system as required for new wall configurations and to meet all applicable codes.
3. Provide all safety systems and items required, such as exit signs, emergency lights, fire extinguishers, smoke detectors, and fire alarms, to meet all applicable codes. All systems to be tied into building system as required.
4. All interior partitions to match building standard unless noted otherwise. Provide for in-wall 2 ½" sound batt insulation floor to ceiling at all new partitions.
5. All new interior doors, frames, and hardware to match existing building standard unless noted otherwise. All hardware is to be lever type.
6. Ceiling grid to be existing to remain. Provide and install tile as required.

THE REMAINDER OF THIS SPACE INTENTIONALLY LEFT BLANK

ALLOW FOR:

<u>Qty</u>	<u>Item</u>
64	Duplex wall outlets
8	Dedicated duplex wall outlets
36	Voice/Data wall outlets
20	Electrical base feed connections
10	Flush floor outlets
12	Dual light switches
14	Motion activated light switches
172	New 2x4 Lithonia RT-8 2-lamp light fixtures
20	New Fluorescent Downlights (at conf rooms)

KEYED NOTES:

1. New plastic laminate veneer top, wall and base cabinets.
2. Double compartment stainless steel 33"x 21" sink with faucet and above ceiling 6 gallon electric hot water unit.
3. At Conference Rooms (3) provide for new VAV box & thermostat.
4. Provide Furniture (Modular Workstations) Allowance of \$ 260,000.00 (Allowance does not include chairs)
5. At IT/Server Room provide for A/C wall pack and electrical sub-meter. Verify size of unit required. Also provide for grounding bus bar.

GENERAL FINISH NOTES:

1. Provide and install new carpet tile and rubber base at all rooms except for Server, Break, Copy/Print Room and Storage Rooms which are to receive VCT flooring.
 - a. Carpet tile allowance is to be \$28.00 per sq. yd. installed.
 - b. VCT allowance is to be \$2.50 per sq. ft. installed.
2. All partitions to be painted with 2 coats of interior latex enamel, egg shell finish.
3. *Plan Preparation.* Within 30 days after the Binding Date, Landlord must submit architect-prepared, proposed Construction Drawings to Tenant. Tenant's failure to ask for specific revisions within 10 business days is Tenant's acceptance of the Construction Drawings as proposed. If Tenant timely asks for revisions, Landlord must have its architect revise accordingly and resubmit to Tenant. As before, Tenant's failure to ask for revisions within 10 business days is Tenant's acceptance. If Tenant timely asks for revisions, the revision process repeats. After approval by both Landlord and Tenant, the Final Plans will be incorporated into this Work Letter for all purposes, whether or not actually attached.

4. *Payment.* Finish-out Work costs, including permit fees, sales tax, and architectural and engineering fees, must be paid for by Landlord.

5. *Substantial Completion.* Substantial Completion of Landlord's Work is the date of issuance of the Landlord obtained Certificate of Occupancy for the Premises. Tenant must have the opportunity to inspect the Premises and may deliver a Punch List to Landlord within 10 days after Substantial Completion. Failure to timely deliver a Punch List is Tenant's acceptance of the work. Delivering a Punch List does not postpone the Commencement Date. Landlord must cure all Punch List items within 15 days or, if Tenant agrees in writing, 30 days. Landlord may enter the Premises at any reasonable time to cure Punch List items but must not unnecessarily disrupt Tenant's activities.

6. *Early Access.* Landlord must permit Tenant to enter the Premises before the Commencement Date to prepare the Premises for Tenant's use and occupancy, including testing and installation of Tenant's equipment. Any such entry into the Premises is under all of the terms of Lease A, except as to Rent.

7. *Counterparts.* This Work Letter may be executed in multiple counterparts, each of which is an original, whether or not all parties sign the same document. Regardless of the number of counterparts, they constitute only one agreement. In making proof of this agreement, one need not produce or account for more counterparts than necessary to show execution by or on behalf of all parties.

8. *Notices.* Any notices sent under this letter must be sent according to the notice requirements in Lease A.

In Witness Whereof, the parties have caused their representatives to set their hands.

Tenant

Landlord

City of San Antonio, a Texas municipal corporation, by:

Riverview Tower Partners, Ltd., a Texas limited partnership, by and through its sole general partner

By: _____

Riverview Tower GP, LLC, a Texas limited liability company

Printed
Name: _____

By: _____

Title: _____

Printed
Name: _____

Date: _____

Approved as to Form:

Title: _____

City Attorney

Date: _____

Exhibit D: Lease A Estimated Premises Completion Schedule

2/15/13	start preliminary construction
completed	continue work on Architectural Construction Drawings (CD's)
completed CD's	continue work on Architectural, Mechanical, Electrical & Plumbing
completed	preliminary plan review with Development Services
completed	submit plans to COSA Development Services for Building Permit plan review
2/28/13	first comments from COSA plan review due
3/08/13	submit answers to COSA plan review comments
3/29/13	receive COSA building permit
4/01/13	request initial COSA inspections
5/27/13	begin final COSA inspections
5/27/13	initial punch-list inspection with COSA Tenant
6/10/13	final punch-list inspection with COSA Tenant
6/10/13	final fire inspections and Temporary Certificate of Occupancy or Certificate of Occupancy

Landlord and Tenant acknowledge that all tasks indicated as completed above and that were to occur before the Effective Date have been satisfactorily performed by the party obligated to perform them.

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Exhibit E: Lease A, B, C & D Cleaning and Maintenance Schedule

Landlord must perform the following:

Daily (Monday through Friday):

Carpets Vacuumed
Composition floors dust-mopped
To the extent accessible, desks, desk accessories and office furniture dusted. Papers and folders left on desk, not to be moved.
Wastebaskets and other trash receptacles emptied; remove trash from the building to an area designated outside of the Premises.
Chairs and wastebaskets returned to proper position.
Fingerprints removed from glass doors and partitions.
Drinking fountains cleaned, sanitized and polished.
Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
Malfunctioning light bulb and tube replaced, as required.
Graffiti expunged as needed after Tenant has given Landlord verbal notice of the existence of graffiti.
Day porter service from 8:00 AM to 5:00 PM.

Weekly:

Low-reach areas such as, but not limited to, chair rungs, baseboards and insides of doorjambs dusted.
Windowsills, ledges and wood paneling and molding dusted.
Floors washed in uncarpeted office areas.

Monthly:

Floors waxed in uncarpeted office areas.
Picture molding and frames dusted.
Wall vents and ceiling vents vacuumed.
As per Landlord's mechanical maintenance contract, HVAC chiller water checked for bacteria, chiller water conditioned as necessary.

Quarterly:

High-reach areas, such as, but not limited to, door frames, tops of partitions and hanging light fixtures dusted.
Light fixtures cleaned and dusted, but not less frequently than Quarterly.
Wood furniture polished.
Mini-blinds cleaned as required, but not less frequently than Quarterly.
As per Landlord's mechanical maintenance contract, HVAC units serviced for preventative maintenance purposes, all filters changed.

Semi-Annually:

All painted wall and door surfaces washed and stains removed.
All walls treated with vinyl covering washed and stains removed.
All carpet to be cleaned using non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The cost for the carpet cleaning will be included in Tenant's operating expenses.

Annually:

Windows washed as required inside and outside annually.
Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.

As Needed:

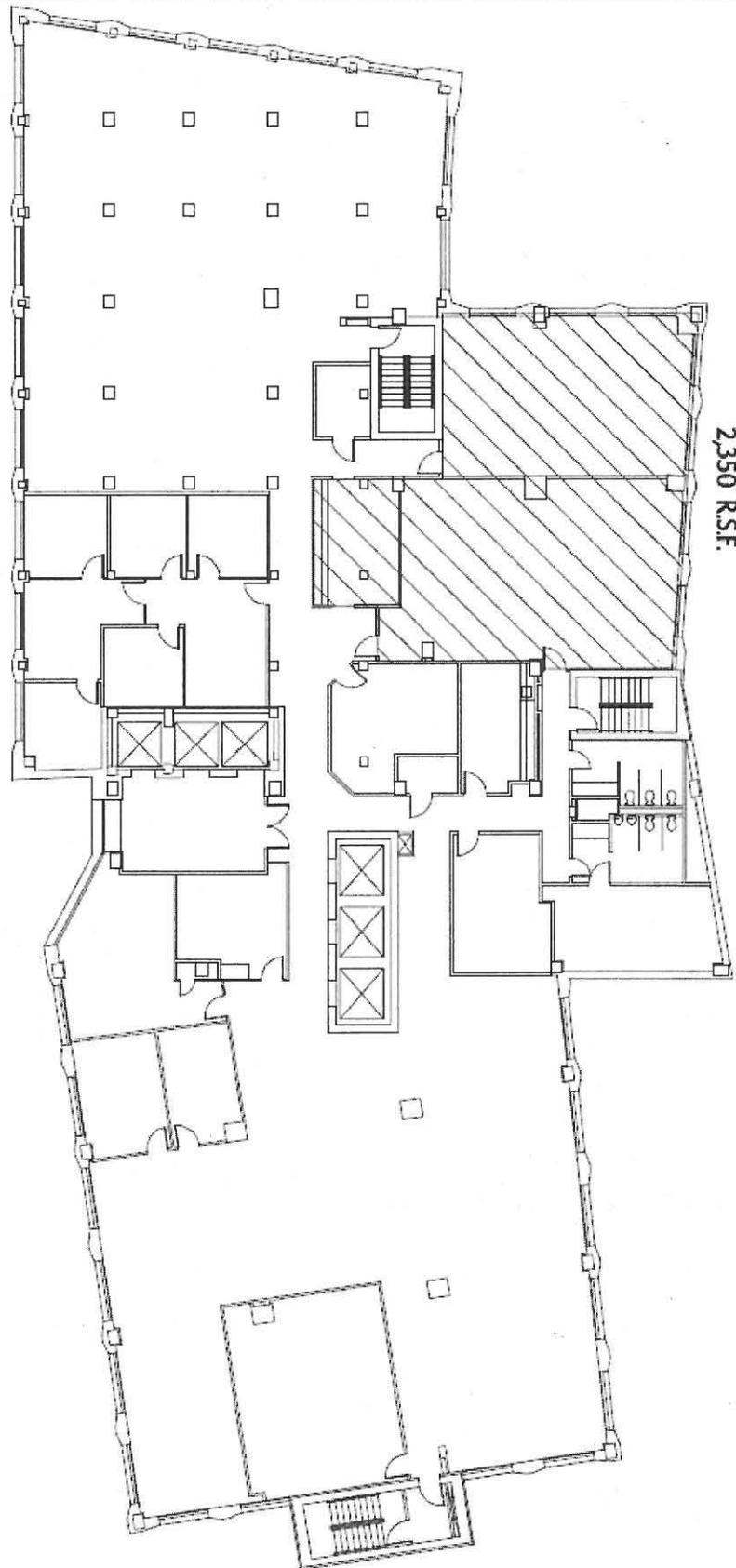
Touch-up paint all interior painted surfaces in a color and finish to match existing.
Premises and the sidewalks, driveways, parking areas and all means of ingress and egress serving the Premises should be maintained in good repair, and in clean and safe condition at all times.
All lawns, shrubbery and foliage on the grounds of which the Premises are part should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.
Carpet professionally spot cleaned as required to remove stains.

General:

Landlord must, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.

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Exhibit F: Additional Space for Training



LEVEL 9