

AN ORDINANCE 84153

AUTHORIZING THE EXECUTION OF A 5-YEAR LICENSE AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND GUNTER LIMITED PARTNERSHIP ("LICENSEE"), AN ILLINOIS LIMITED PARTNERSHIP, TO USE PUBLIC RIGHTS-OF-WAY (SUBSURFACE, SURFACE, AND AIR RIGHTS) WITHIN EAST HOUSTON, NORTH ST. MARY'S AND TRAVIS STREETS, RESPECTIVELY, AND ADJACENT TO THE SHERATON GUNTER HOTEL FOR A TOTAL CONSIDERATION OF APPROXIMATELY \$126,000 00, TERMINATING EXISTING NON-ASSIGNABLE ENCROACHMENT LICENSE AND LEASE AGREEMENTS WITH THE GUNTER HOTEL, GUNTER PLAZA INVESTORS, AND SHERATON GUNTER HOTEL, AUTHORIZED AND APPROVED PURSUANT TO ORDINANCE NO 56310, DATED DECEMBER 22, 1982, ORDINANCE NO 60430, DATED MARCH 21, 1985, AND ORDINANCE NO 78800 DATED SEPTEMBER 30, 1993, FOR THE SAME RIGHTS-OF-WAY, ALL IN CONNECTION WITH CLOSING OF THE PURCHASE BY SAID GUNTER LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP, OF THE SHERATON GUNTER HOTEL; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE UPON EIGHT (8) AFFIRMATIVE VOTES
(RESCINDS ORD'S. 56310, DEC. 22, 1982; 60430, MAR. 21, 1985; AND 78800, JULY 30, 1993)

* * * * *

WHEREAS, GUNTER LIMITED PARTNERSHIP, (hereafter "LICENSEE") a Illinois Limited Partnership, is purchasing from GUNTER HOTEL ASSOCIATES and GUNTER PLAZA INVESTORS, the underlying fee simple interest in the land and improvements, known as the Sheraton Gunter Hotel (hereafter "Hotel"), located at 205 East Houston Street, in Lots 1, 2, 3, 4, part of 5, and 6, New City Block 407, San Antonio, Bexar County, Texas; and

WHEREAS, in connection with such purchase, LICENSEE has requested that the CITY OF SAN ANTONIO ("CITY") terminate existing non-assignable encroachment License and Lease agreements with THE GUNTER HOTEL, GUNTER PLAZA INVESTORS, and SHERATON GUNTER HOTEL approved pursuant to Ordinance No. 56310, dated December 22, 1982, Ordinance No 60430, dated March 21, 1985, and Ordinance No 78800, dated September 30, 1993, and consisting of (1) existing basement and balcony encroachments located under and over the public sidewalks of North St Mary's and East Houston streets, (2) existing smokestack and related basement encroachments over and under a 14-foot wide alley adjacent to the east side of the Hotel, (3) a 4-foot overhead encroachment of an existing parking structure above the public sidewalks of Travis and North St. Mary's streets; and (4) the existing use of 207 square feet of East Houston Street right-of-way for an open air sidewalk cafe; and

WHEREAS, LICENSEE has requested that it be allowed to continue to use the same encroachment rights, however, said rights granted under the existing License and Lease Agreements are not assignable or otherwise transferable; and

WHEREAS, LICENSEE proposes, as one of the encroachments, the continued use of a portion of the Licensed Premises as an outdoor air sidewalk cafe at 205 East Houston Street which sidewalk cafe is within public right-of-way, is not enclosed by fixed walls and is open to the air, and which cafe is abutting and contiguous to a restaurant in which food preparation, sanitation and related services for the sidewalk cafe will continue to be performed, and

WHEREAS, Section 137 of the City Charter of the City of San Antonio provides that such use of public property may not be inconsistent with or unreasonably impair the public use to which public property may be dedicated, and

WHEREAS, upon review of the proposed continued use of a portion of the License Premises by LICENSEE by LICENSEE under the new License Agreement for an outdoor air sidewalk cafe, the City Council of the City of San Antonio, being the governing body of said CITY, finds, and LICENSEE agrees, that the use of the public property by said LICENSEE for sidewalk cafe purposes.

- 1) will not be located on, extend onto, nor intrude upon any portion of the roadway,
- 2) will not be located on, extend onto, nor intrude upon any portion of the sidewalk which is needed for pedestrian use;
- 3) that the design and location of the improvement or facility includes all reasonable planning to minimize potential harm, injury, or interference to the public in the use of the public street;
- 4) that the improvement or facility will not create any hazardous condition or obstruction of vehicular or pedestrian travel upon the public street, and said City Council further finds that, and
- 5) such sidewalk cafe use of public property is not inconsistent with or unreasonably impair the public use to which said public property may be dedicated; and

WHEREAS, CONTINGENT ON THE CLOSING OF SUCH PURCHASE by GUNTER LIMITED PARTNERSHIP, the CITY is agreeable to terminating the existing License and Lease Agreements with THE GUNTER HOTEL, GUNTER PLAZA INVESTORS, and SHERATON GUNTER HOTEL, and releasing THE GUNTER HOTEL, GUNTER PLAZA INVESTORS, and SHERATON GUNTER HOTEL, from any obligations, responsibilities, or liabilities under such Agreements, and to entering into a new License Agreement with GUNTER LIMITED PARTNERSHIP for the use of the same encroachment rights as previously identified herein, and

WHEREAS, processing of the new License Agreement through the Planning Commission will not be necessary since these are existing facilities and the same rights will be granted under a new license to GUNTER LIMITED PARTNERSHIP, purchaser of the Hotel abutting the facilities; and,

WHEREAS, a five (5) year License Agreement with GUNTER LIMITED PARTNERSHIP for the intended uses set forth herein is deemed to be in the City's best interest, and

WHEREAS, an emergency is created by the fact that the closing date for said purchase (of which this termination of the existing License and Lease Agreements with THE GUNTER HOTEL, GUNTER PLAZA INVESTORS, and SHERATON GUNTER HOTEL and the grant of a new License Agreement to GUNTER LIMITED PARTNERSHIP are a part) is scheduled for May 30, 1996, which is less than ten (10) days from the date of consideration of this Ordinance for approval by the San Antonio City Council, **NOW THEREFORE:**

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

SECTION 1. The existing License and Lease Agreements between the CITY OF SAN ANTONIO, as Licensor/Lessor, and THE GUNTER HOTEL, GUNTER PLAZA INVESTORS, and SHERATON GUNTER HOTEL as Licensee/Lessee, approved pursuant to Ordinance No. 56310, dated December 22, 1982, Ordinance No. 60430, dated March 21, 1985, and Ordinance No. 78800, dated September 30, 1993, and consisting of (1) existing basement and balcony encroachments under and over the public sidewalks of North St. Mary's and East Houston streets, (2) existing smokestack and related basement encroachments over and under a 14-foot wide alley adjacent to the east side of the Sheraton Gunter Hotel, (3) a 4-foot overhead encroachment of an existing parking structure above the public sidewalks of Travis and North St. Mary's streets, and (4) an existing use of 207 square feet of East Houston Street right-of-way for an open air sidewalk cafe are hereby TERMINATED and declared NULL and VOID and of NO FURTHER FORCE or EFFECT. This action of termination is CONTINGENT UPON THE CLOSING OF THE PURCHASE by GUNTER LIMITED PARTNERSHIP from GUNTER HOTEL ASSOCIATES and GUNTER PLAZA INVESTORS of the underlying fee simple interest in the land and improvements, known as the Sheraton

Gunter Hotel, located at 205 East Houston Street, in Lots 1, 2, 3, 4, part of 5, and 6, New City Block 407, San Antonio, Bexar County, Texas.

SECTION 2 CONTINGENT UPON THE CLOSING OF THE PURCHASE SET FORTH IN SECTION 1. above, the CITY OF SAN ANTONIO hereby releases GUNTER HOTEL ASSOCIATES doing business as THE GUNTER HOTEL, GUNTER PLAZA INVESTORS, and GUNTER HOTEL ASSOCIATES doing business as SHERATON GUNTER HOTEL and their related entities from any obligations, responsibilities, or liabilities under the agreements hereby terminated.

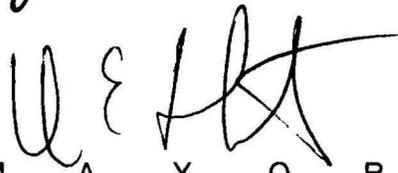
SECTION 3. CONTINGENT ON THE CLOSING OF SAID PURCHASE REFERRED TO IN SECTION 1. above, a new five (5) year License Agreement is hereby approved between the CITY OF SAN ANTONIO, as Licensor, and GUNTER LIMITED PARTNERSHIP, as Licensee, for the continued use of the existing encroachment rights previously described above, in connection with the Sheraton Gunter Hotel, being purchased by GUNTER LIMITED PARTNERSHIP, with a License fee of \$125,976.00, payable in yearly installments, covering the entire 5-year term of the License Agreement

SECTION 4. The City Manager, or in his stead, the Assistant City Manager or an Assistant to the City Manager, is hereby authorized to execute, CONTINGENT ON THE AFOREMENTIONED CLOSING OF SAID PURCHASE REFERENCED IN SECTION 1 above, (1) a Termination of Existing License and Lease Agreements and Release of Liability, which, upon final execution, will be in substantially the same form as the instrument affixed hereto as Attachment I; (2) a new License Agreement; (3) a Memorandum of License Agreement, and any and all other documents, as first reviewed and approved by the City Attorney, necessary to effectuate said Closing, which said License Agreement, Memorandum of License Agreement and other documents, if any, upon final execution will be in substantially the same form affixed hereto as Attachment II and Attachment III, respectively

SECTION 5. The approval of the License Agreement in SECTION 3. and authorization for execution of said License Agreement and other instruments referenced in SECTION 4. is further CONTINGENT AND CONDITIONED UPON THE RECEIPT OF THE PAYMENT TO THE CITY OF SAN ANTONIO by GUNTER HOTEL ASSOCIATES and GUNTER PLAZA INVESTORS of all delinquent License Fees, lease rentals, Hotel Occupancy Taxes, ad valorem real and personal property taxes, Downtown Improvement District assessments, and any and all other taxes and general and special assessments due to the CITY as of the date of Closing of the purchase of the Sheraton Gunter Hotel by LICENSEE, to be paid at the time of Closing

SECTION 6. Due to the immediate need to close the purchase (of which the termination of existing License and Lease Agreements and the grant of a new License Agreement are a part) by May 30, 1996, the City Council deems an emergency exists in this matter, and upon the affirmative vote of at least eight (8) members, this Ordinance will become effective immediately, otherwise this ordinance shall be effective on the tenth day after the date of passage hereof.

PASSED AND APPROVED this 21st day of May 1996


M A Y O R


ATTEST
ASSISTANT City Clerk

APPROVED AS TO FORM: Veronica M. Zerkich
for City Attorney

96-21

CITY OF SAN ANTONIO

AGENDA ITEM NO. 38

**DEPARTMENT OF ASSET MANAGEMENT
INTERDEPARTMENTAL CORRESPONDENCE SHEET**

TO: City Council
FROM: Roland A. Lozano, Director, Department of Asset Management
COPIES TO: Oscar Serrano, Sr. Real Estate Specialist; File
SUBJECT: S.P. No. 907 -- Request for License to Use Public Right-of-Way within East Houston, N. St. Mary's and Travis Streets
DATE: May 9, 1996

PETITIONER: **GUNTER LIMITED PARTNERSHIP,**
a Illinois Limited Partnership
c/o Martha Hardy
BARTON & SCHNEIDER, L.P.
One Riverwalk Place, Suite 1825
700 N. St. Mary's Street
San Antonio, Texas 78205

SUMMARY AND RECOMMENDATIONS:

This Ordinance will authorize a 5-year License Agreement from the City of San Antonio to GUNTER LIMITED PARTNERSHIP, a Illinois Limited Partnership, to use Public Right-of-Way (subsurface, surface and air rights) within East Houston, N. St. Mary's and Travis Streets adjacent to the Gunter Hotel located at 205 East Houston Street.

Subject to scheduled May 30, 1996 real estate closing, this Ordinance will also terminate existing Ordinance No. 56310 dated December 22, 1982; Ordinance No. 60430 dated March 21, 1985; and Ordinance No. 78800 dated September 30, 1993 which represent existing encroachment/lease rights.

This request requires an emergency declaration providing for an immediate effective date upon passage by eight (8) affirmative votes.

The Department of Asset Management is recommending City Council's approval of this request.

BACKGROUND INFORMATION:

In conjunction with its proposal to purchase the Gunter Hotel and associated parking facilities from Gunter Plaza Investors, Applicant is requesting necessary rights for continued use of existing facilities within public streets in the locations as shown on attached Exhibits "A" & "B". These facilities consist of the following:

- 1.) Existing basement and balcony encroachment located within East Houston and North St. Mary's Streets;
- 2.) Existing smokestack and related basement over and under 14-foot wide alley adjacent to east side of hotel;
- 3.) Existing use of 207 square feet of East Houston Street right-of-way for open air sidewalk cafe;
- 4.) Existing parking structure with a 4-foot overhead encroachment above the sidewalk of Travis and N. St. Mary's Streets.

Rights for all of the above facilities were originally obtained by current owners. Being that existing rights are non-assignable, the prospective purchasers (who anticipate closing on this property on May 30, 1996) must acquire new rights. Please note that no construction is to take place, as all facilities are already in place.

The Applicant has formally agreed to abide by all existing conditions as are imposed by existing agreements.

The License for these encroachments will be for a period of five (5) years for a total consideration of \$126,000.00, payable in yearly installments. The licensee has agreed to provide insurance coverage and hold the City of San Antonio harmless from any an all liability in connection with this license.

POLICY ANALYSIS:

The action requested is in accordance with the Department's present policies and procedures.

FINANCIAL IMPACT:

The City of San Antonio will receive the \$126,000.00 License Fee.

SUPPLEMENTAL COMMENTS:

- a. Due to the fact that the real estate transaction between Gunter Plaza Investors (SELLERS) and Gunter Limited Partnership, a Illinois Limited Partnership, (BUYERS) is scheduled for May 30, 1996, this request will require emergency declaration providing for an immediate effective date upon passage by eight (8) affirmative voters.

- b. Executed Ethics Disclosure Statement is attached.



ROLAND A. LOZANO, Director
DEPARTMENT OF ASSET MANAGEMENT

RAL/OS;dow

Attachments

RECOMMENDATION APPROVED:



ALEXANDER E. BRISEÑO
City Manager

ETHICS ORDINANCE REQUIRED DISCLOSURES

On October 19, 1994, the City Council of the City of San Antonio revised the Ethics Ordinance. Among other things, it requires that before certain contracts/petitions can be considered by the City Council, certain information must be obtained about the proposed contractor/petitioner. This form is for the purpose of obtaining that information.

1. Name of proposed contractor/petitioner and address;

Gunter Limited Partnership
c/o LaSalle Partners Limited
220 East 42nd Street
New York, New York 10017

2. If a for-profit entity, list all individuals who own at least a 10% interest in the proposed contractor/petitioner:

A to-be-formed affiliate of

A to-be-formed affiliate of

LaSalle Partners Limited

Cargill, Inc.

3. List all political contributions of more than \$100.00 made during the previous twenty-four months to any City Council member or members or to any political action committee by the entity or any of the individuals listed above.

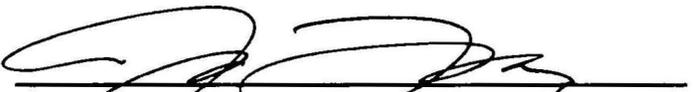
None.

4. **Lobbying Statement:** To lobby is to represent third parties for pay in attempting to influence members of City Council with regard to policy decisions or proposals awaiting decision, by verbal, written, or other arguments or means of persuasion.

Does entity engage in lobbying or plan to engage in lobbying during the term of this agreement/petition process?

Yes _____ No X

If the entity should be awarded the contract or granted the petition and the answer to the above should change during the term of the contract or petition process, a revised Lobbying Statement must be filed with the City Clerk.



Joseph D. Long, to be named as vice president of LaSalle Gunter GP, Inc., general partner of LaSalle Gunter Limited Partnership, general partner of Gunter Limited Partnership

Date: May 8 , 1996

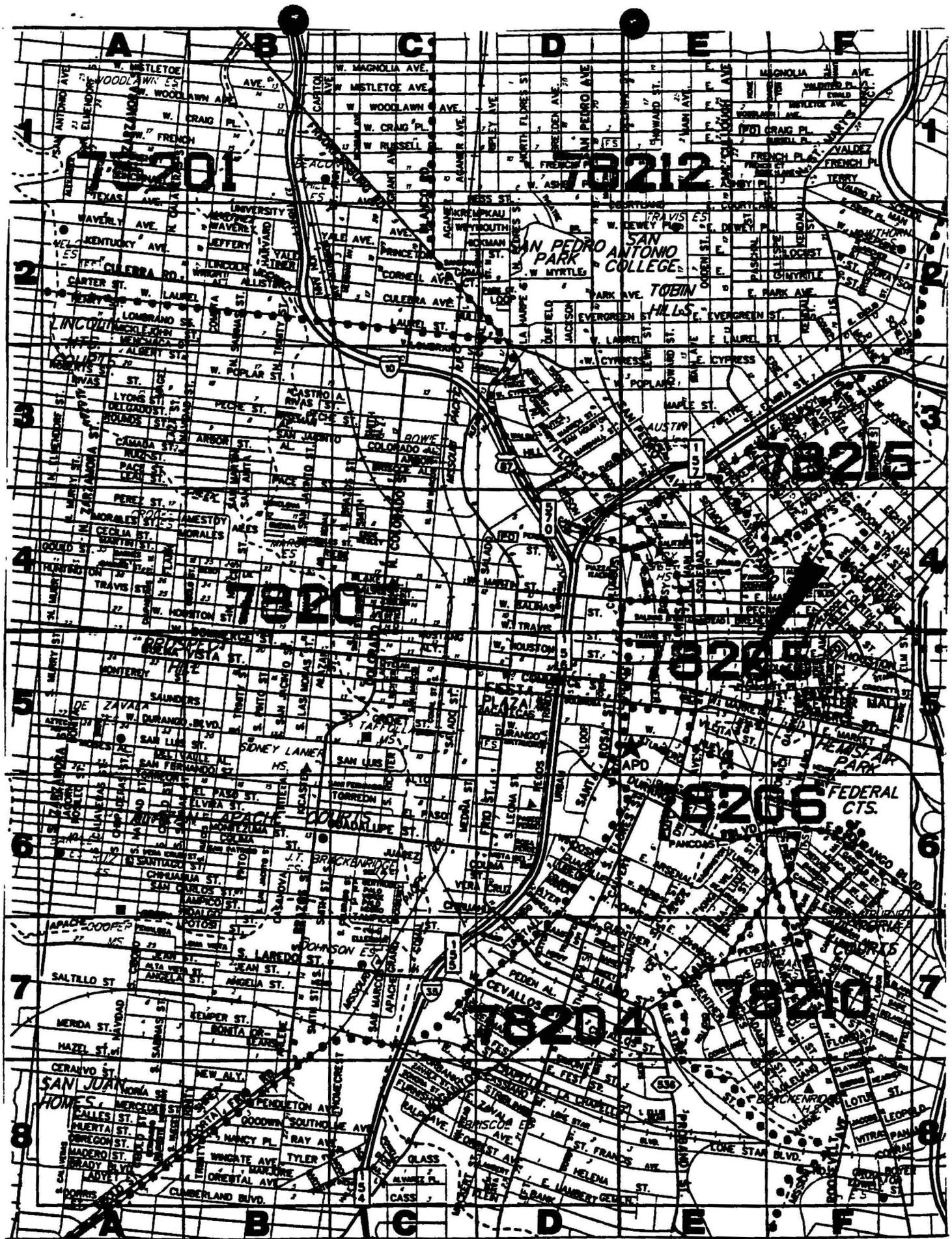
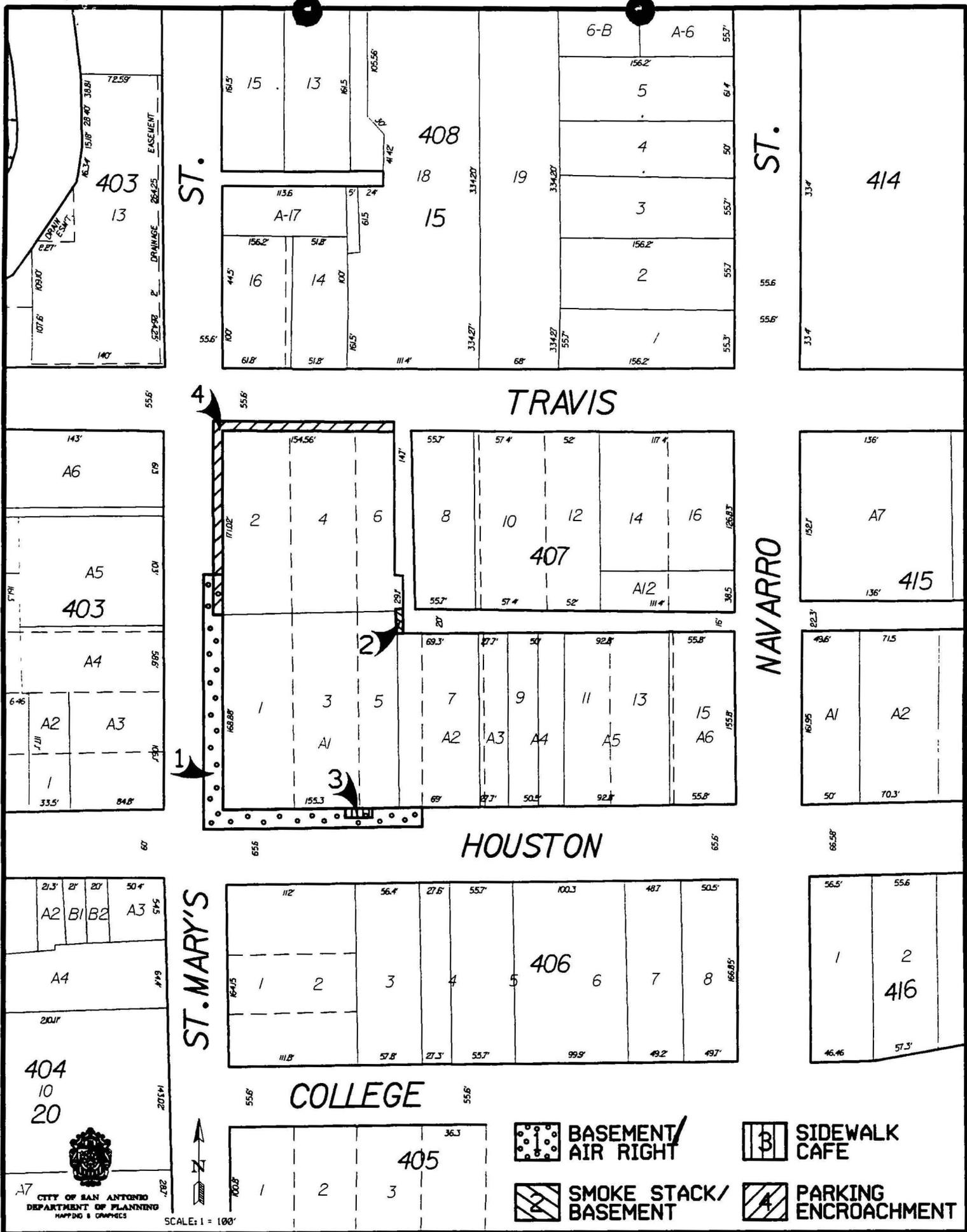


EXHIBIT "A"



CITY OF SAN ANTONIO
 DEPARTMENT OF PLANNING
 MAPPING & GRAPHICS

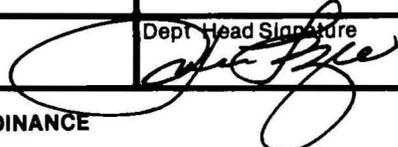
SCALE: 1" = 100'

EXHIBIT "B"

CITY OF SAN ANTONIO

Request For Ordinance/Resolution

Request For Ordinance/Resolution
 Form No. 101-100-01
 1/82

Date May 9, 1996	Department ASSET MANAGEMENT/Special Projects	Contact Person/Phone # ROLAND A. LOZANO (7885)
Date Council Consideration Requested May 23, 1996	Deadline for Action	Dept. Head Signature 

SUMMARY OF ORDINANCE

This Ordinance will authorize a 5-year License Agreement from the City of San Antonio to GUNTER LIMITED PARTNERSHIP, a Illinois Limited Partnership, to use Public Right-of-Way (subsurface, surface and air rights) within East Houston, N. St. Mary's and Travis Streets adjacent to the Gunter Hotel located at 205 East Houston Street.

Subject to scheduled May 30, 1996 real estate closing, [REDACTED] No. 56310 dated December 22, 1982; Ordinance No. 60430 dated March 21, 1985; and Ordinance No. 78800 dated September 30, 1993 which represent existing encroachment/lease rights.

This request requires an emergency declaration [REDACTED]

The Department of Asset Management is recommending City Council's approval of this request.

Council Memorandum Must Be Attached To Original

Other Depts , Boards, Committees involved (please specify):

LEGAL SECTION/WARNER FASSNIDGE

Contract signed by other party
 Yes No

FISCAL DATA (If Applicable)

Fund No _____ Amt Expended _____
 Activity No _____ SID No _____
 Index Code _____ Project No _____
 Object Code _____

Budgetary Implications

Funds/Staffing Budgeted Yes No

Positions Currently Authorized _____

Impact on future O & M _____

If positions added, specify class and no _____

Comments:

COUNCIL DISTRICT NO. 1

Coordinator — White
 Legal — Green
 Budget — Canary
 Finance — Pink
 Originator — Gold

ATTACHMENT I

TO ORDINANCE NO. _____

PASSED AND APPROVED ON MAY 23, 1996

**TERMINATION OF EXISTING LICENSE AND LEASE
AGREEMENT**

AND RELEASE OF LIABILITY

**TERMINATION OF EXISTING LICENSE AND LEASE AGREEMENTS
AND
RELEASE OF LIABILITY**

96-0080679

Pursuant to the provisions of CITY OF SAN ANTONIO Ordinance No. 84153 passed and approved May 23, 1996, the CITY OF SAN ANTONIO hereby TERMINATES and declares NULL AND VOID AND OF NO FURTHER FORCE OR EFFECT the following License and Lease Agreements:

(1) A License Agreement granted and manifested by CITY OF SAN ANTONIO Ordinance No. 56310, passed and approved on December 22, 1982 to THE GUNTER HOTEL to occupy space over and under public sidewalks at North St. Mary's Street and East Houston Street and the 14-foot wide alley adjacent to the east side of the Gunter (now Sheraton Gunter) Hotel for balcony and basement encroachments and the encroachment of an existing smokestack over such public right-of-way in two tracts described as:

PART I

BEING 0.103 acres of land out of the street rights-of-way of East Houston Street and North St. Mary's Street adjacent to Lots 1, 2, 3 and 5, New City Block 407, within the City Limits of San Antonio, Bexar County, Texas, and being more particularly described in said Ordinance and License Agreement; and

PART II.

BEING 0.002 acres of land out of the variable width public alley running through New City Block 407 adjacent to the remaining portions of Lots 5 and 6, New City Block 407, within the City Limits of San Antonio, Bexar, County, Texas, and being more particularly described in said Ordinance and License Agreement;

(2) A License Agreement granted and manifested by CITY OF SAN ANTONIO Ordinance No. 60430, passed and approved on March 21, 1985, to GUNTER PLAZA INVESTORS, a partnership, as LICENSEE, to occupy a 4-foot overhead area above public sidewalks of South [sic North] St. Mary's and East Travis Streets, adjacent to Lots 2, 4, 6, and A7, New City Block 407, for the encroachment of a parking structure; and

(3) A Lease Agreement granted by CITY OF SAN ANTONIO Ordinance No. 78800, passed and approved on September 30, 1993, to SHERATON GUNTER HOTEL, as LESSEE, to occupy the surface area containing a total of 207.00 square feet, located at 205 East Houston Street, south of Lots 5 and 3 (A-1), NCB 407, San Antonio, Bexar County, Texas, for the use of a sidewalk cafe.

Further, the CITY OF SAN ANTONIO does hereby release and discharge the GUNTER HOTEL ASSOCIATES doing business as THE GUNTER HOTEL, GUNTER PLAZA INVESTORS, and GUNTER HOTEL ASSOCIATES doing business as SHERATON GUNTER HOTEL, from any and all liability, claims, demands and causes of action, loss, damage or expense, suits, costs of any settlement or judgment or claims of any and every kind whatsoever which may now or in the future (whether before or after the

VOL 6770 PG 1231

release and termination of this License and Lease Agreement) arises out of, or relate to those certain License and Lease Agreements approved by the indicated respective CITY OF SAN ANTONIO Ordinance No. 56310, 60430, and 78800.

LICENSOR/LESSOR:
CITY OF SAN ANTONIO,
a Texas Municipal Corporation

BY: [Signature]
NAME: Travis M. Bishop
TITLE: Assistant to the City Manager
City Manager

LICENSEE/LESSEE.
ACCEPTED BY:
GUNTER HOTEL ASSOCIATES
doing business as
THE GUNTER HOTEL

By: Linden Investment, Ltd.,
a Texas Limited Partnership

By: Hospitatite Suisse, Inc.
a Texas corporation, it,
a Sole General Partner

By: [Signature]
NAME: Joseph E. Seiterle
TITLE: President

Pursuant to Ordinance No. 84153 passed and approved on May 23, 1996 EFFECTIVE ON May 30, 1996, OR ON THE DATE OF CLOSING OF THE PURCHASE OF THE LAND AND IMPROVEMENTS KNOWN AS THE SHERATON GUNTER HOTEL BY GUNTER LIMITED PARTNERSHIP, AN ILLINOIS LIMITED PARTNERSHIP, FROM GUNTER ASSOCIATES AND GUNTER PLAZA INVESTORS, IF SAID CLOSING DATE IS LATER THAN MAY 30, 1996

ACCEPTED BY:
GUNTER PLAZA INVESTORS,
a partnership

By: Linden Investment, Ltd.,
a Texas Limited Partnership

By: Hospitatite Suisse, Inc.
a Texas corporation, it,
a Sole General Partner

By: [Signature]
NAME: Joseph E. Seiterle
TITLE: President

ATTEST.

[Signature]
City: Clerk

APPROVED AS TO FORM:

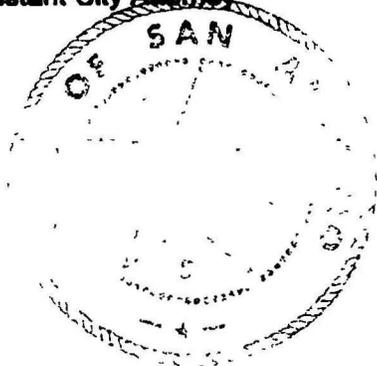
Warner F. Fairbridge
Assistant City Attorney

ACCEPTED BY:
GUNTER HOTEL ASSOCIATES
doing business as
SHERATON GUNTER HOTEL

By: Linden Investment, Ltd.,
a Texas Limited Partnership

By: Hospitatite Suisse, Inc.
a Texas corporation, it,
a Sole General Partner

By: [Signature]
NAME: Joseph E. Seiterle
TITLE: President



VOL 6 770 PG 1232

ACKNOWLEDGMENTS

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the 30th day of MAY, 1996 by TRAVIS M. BISHOP, ASST. TO City Manager, on behalf of the CITY OF SAN ANTONIO, a Texas municipal corporation.



Alice M. Lee
Notary Public, State of Texas

Notary's Commission Expires: 9/26/99

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the 29th day of May, 1996 by Josef E. Seiterle, President, Hospitatite Suisse, Inc., a Texas corporation, sole general partner of Linden Investments, Ltd., a Texas Limited Partnership, partner of GUNTER HOTEL ASSOCIATES doing business as THE GUNTER HOTEL, on behalf of GUNTER HOTEL ASOCIATES.



Suzanne M. Sneed
Notary Public, State of Texas

Notary's Commission Expires: _____

VOL 6770 PG 233

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the 29th day of May, 1996 by Josef E. Seiterle, President, Hospitatite Suisse, Inc., a Texas corporation, sole general partner of Linden Investments, Ltd., a Texas Limited Partnership, partner of GUNTER PLAZA INVESTORS, a partnership, on behalf of said partnership..



Suzanne M. Sneed
Notary Public, State of Texas

Notary's Commission Expires: _____

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on the 29th day of May, 1996 by Josef E. Seiterle, President, Hospitatite Suisse, Inc., a Texas corporation, sole general partner of Linden Investments, Ltd., a Texas Limited Partnership, partner of GUNTER HOTEL ASSOCIATES doing business as SHERATON GUNTER HOTEL, on behalf of GUNTER HOTEL ASOCIATES.



Suzanne M. Sneed
Notary Public, State of Texas

Notary's Commission Expires: _____

AFTER RECORDING, RETURN TO:

City of San Antonio
P.O. Box 839966, 3rd Floor City Hall
San Antonio, Texas 78253-3966
Attention: Warner F. Fassnidge,
City Attorney's Office

VOL 6770 PG 1234

(1) Existing basement, balcony and smokestack encroachments in two tracts:

PART I

BEING 0.103 acres of land out of the street rights-of-way of East Houston Street and North St. Mary's Street adjacent to Lots 1, 2, 3 and 5, New City Block 407, within the City Limits of San Antonio, Bexar County, Texas, and being more particularly described as follows:

ORIGINATING: At an X found in the concrete walk at the point of intersection of the east right-of-way line of N. St. Mary's St. and the south right-of-way line of Travis Street, said corner being the northwest corner of Lot 2, New City Block 407;

S 00° 07' 13" W, 125.35 feet along the east right-of-way line of N. St. Mary's Street to an X inscribed in the concrete walk for the POINT OF BEGINNING of the hereinafter described tract;

THENCE: S 00° 07' 13" W, 205.09 feet along the east right-of-way line of N. St. Mary's Street and the western boundary of Lots 1 and 2, New City Block 407, to an X found in the concrete sidewalk at the corner of the intersection of the north right-of-way line of Houston Street and the east right-of-way line of N. St. Mary's Street for an interior corner of this tract;

THENCE: N 89° 58' 00" E, 155.32 feet along the north right-of-way line of Houston Street and the southern boundary of Lots 1, 3 and 5, New City Block 407, to a point in the north right-of-way line of Houston Street from whence an X was found in the concrete sidewalk bearing S 00° 07' 13" W a distance of 3.00 feet, said corner being the easternmost northeast corner of this tract;

THENCE: S 00° 02' 00" W, 17.30 feet to a point on the face of the curb of the north curb line of East Houston Street for the southeast corner of this tract;

THENCE: N 89° 55' 22" W, 150.28 feet along the north curb line of East Houston Street to a point of curvature of the curb line to the right;

THENCE: 20.81 feet along the arc of a curve to the right whose radius is 13.25 feet, delta angle is 89° 58' 25", tangent is 13.29 feet, and a chord of 18.73 feet which bears N 44° 56' 09" W to a point on the east curb line of N. St. Mary's Street for the southwest corner of this tract;

THENCE: N 00° 03' 03" E, 208.86 feet along the east curb line of N. St. Mary's Street to a point for the northwest corner of this tract;

THENCE: S 89° 52' 47" E, 8.45 feet to a point on the east right-of-way line of N. St. Mary's Street, said point being the POINT OF BEGINNING and containing 0.103 acres of land,



VOL 6770 Pg 1235

PAGE II

BEING 0.002 acres of land out of the variable width public alley running through New City Block 407 adjacent to the remaining portions of Lots 5 and 6, New City Block 407, within the City Limits of San Antonio, Bexar County, Texas, and being more particularly described as follows:

ORIGINATING: At an X found in the concrete walk at the point of intersection of the east right-of-way line of N. St. Mary's Street and the south right-of-way line of Travis Street, said point being the northwest corner of Lot 2, New City Block 407;

S 89° 48' 40" E, 155.32 feet along the south right-of-way line of Travis Street and the north boundary line of Lots 2, 4 and 6, New City Block 407 to an X found in the concrete at the point of intersection of the south right-of-way line of Travis Street and the west right-of-way line of a public alley;

S 00° 07' 13" W, 129.70 feet along the west right-of-way line of a public alley and the east boundary line of the Gunter Hotel property, following the east edge of the exterior wall of the Gunter Hotel;

S 89° 52' 47" E, 3.80 feet along the west right-of-way line of the public alley and the east edge of the Gunter Hotel;

S 00° 07' 13" W, 29.00 feet along the west right-of-way line of the public alley and the east edge of the Gunter Hotel to the POINT OF BEGINNING of the hereinafter described tract;

THENCE: S 89° 52' 47" E, 3.20 feet to a point in the variable width public alley for the northeast corner of this tract;

THENCE: S 00° 07' 13" W, 14.30 feet to a point in the variable width public alley for the southeast corner of this tract;

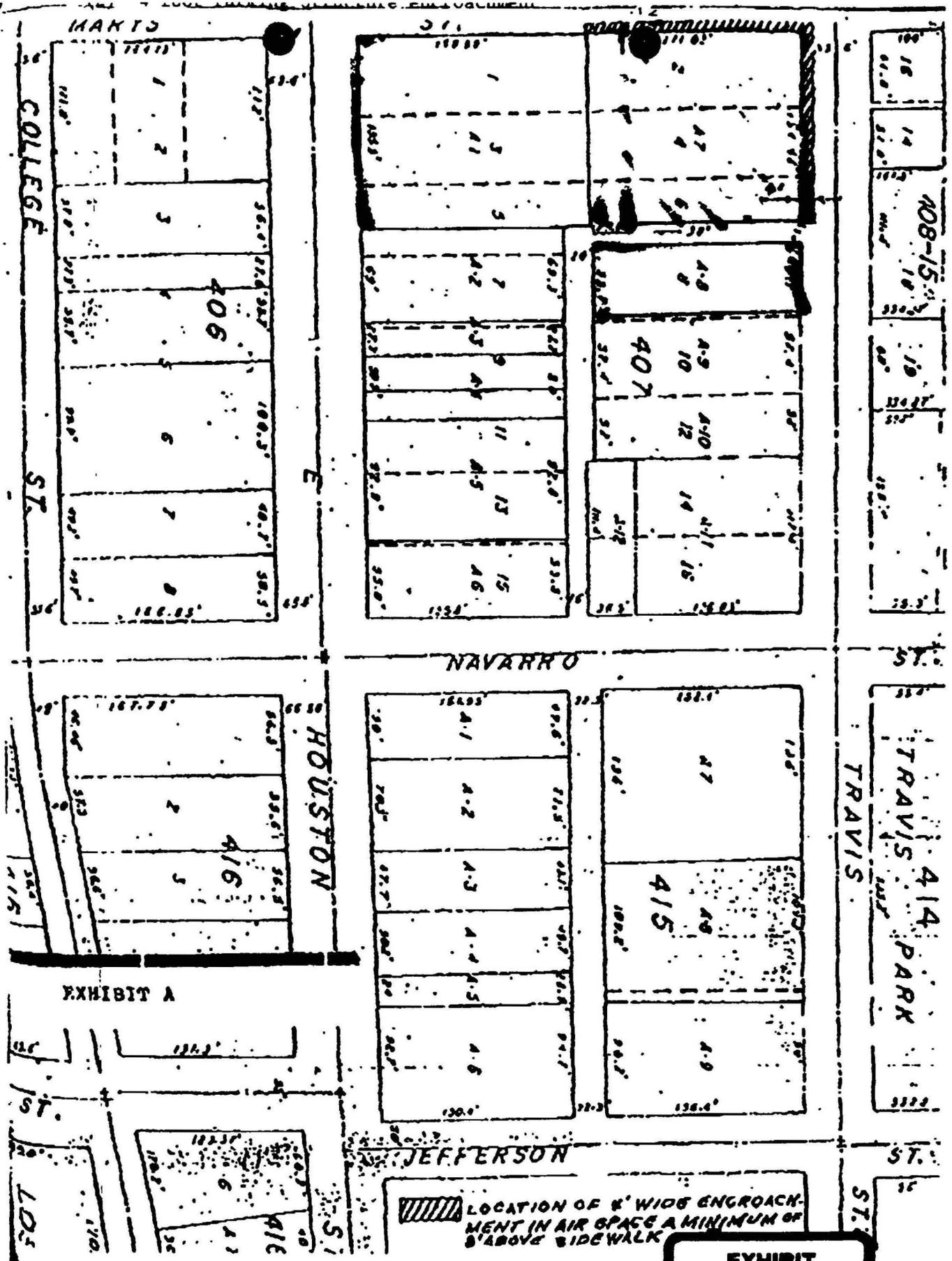
THENCE: N 89° 52' 47" W, 7.00 feet to a point on the west right-of-way line of the public alley and the east edge of the Gunter Hotel for the southwest corner of this tract;

THENCE: N 00° 07' 13" E, 14.30 feet along the west right-of-way line of the public alley and the east edge of the Gunter Hotel for the northwest corner of this tract;

THENCE: S 89° 52' 47" E, 3.80 feet along the west right-of-way line of the public alley to the POINT OF BEGINNING and containing 0.002 acres of land, more or less,

EXHIBIT
"A"
TERMINATION

VOL 6770 PG 1236



(3) Sidewalk Cafe encroachment.

One area containing a total of 207.00 square feet;
located at 205 East Houston Street, south of Lots 5 and
3 (A-1), NCB 407, San Antonio, Bexar County, Texas

From the southeast corner of Lot 5, NCB 407;

THENCE 23.71 feet west of said corner and being the
north right-of-way of Houston Street to point
of beginning of lease area;

THENCE 23.00 feet west on Houston Street north right-
of-way;

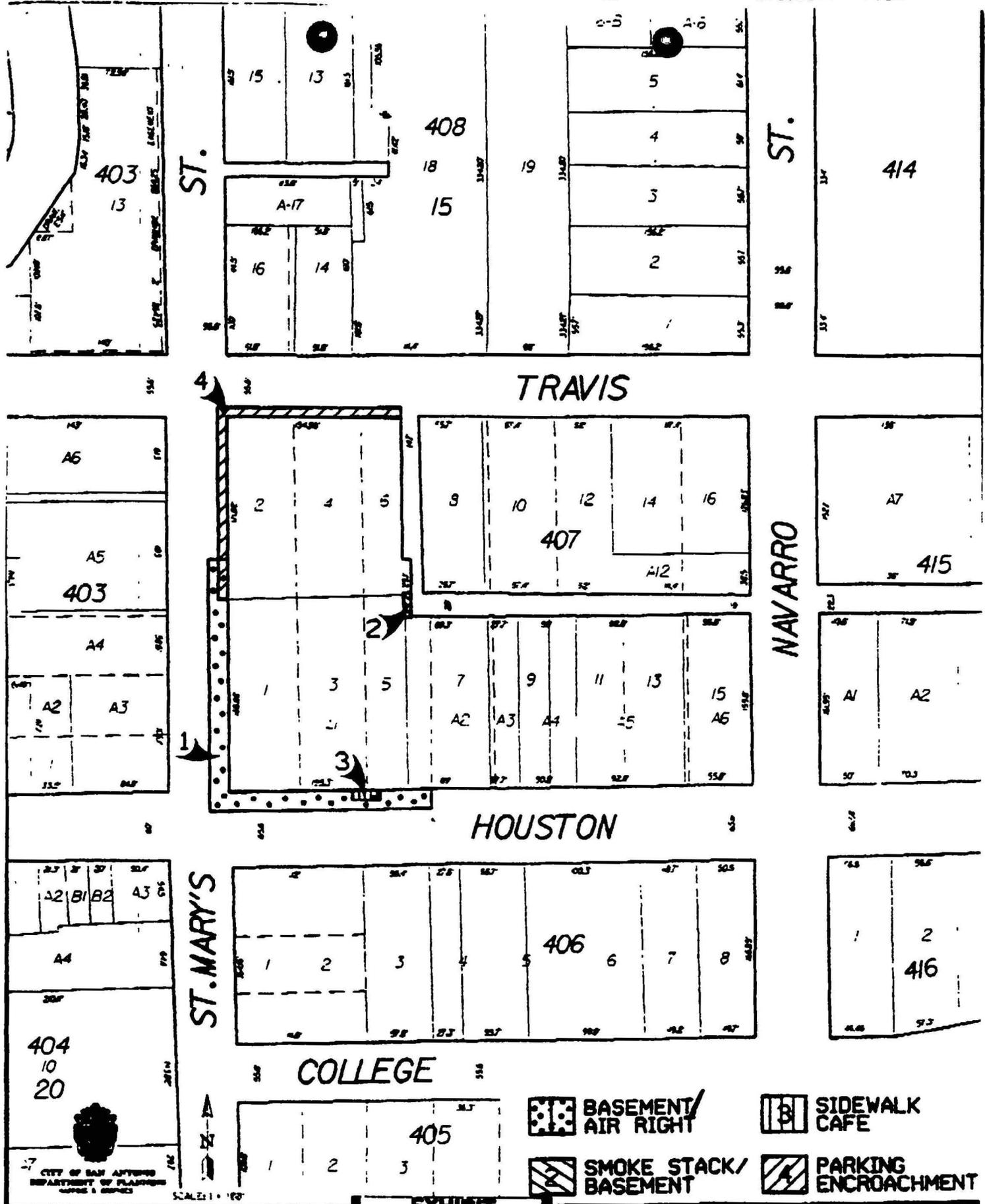
9.00 south;

23.00 east;

9.00 north to point of beginning and
containing ±207.00 square feet

VOL 6770 Pg | 238

EXHIBIT
"A"
TERMINATION



VOL 6 770 PG 1239

EXHIBIT "A"
TERMINATION

ATTACHMENT II

TO ORDINANCE NO. _____

PASSED AND APPROVED ON MAY 23, 1996

LICENSE AGREEMENT

WITH

GUNTER LIMITED PARTNERSHIP

LICENSE AGREEMENT

This License Agreement is entered into by and between the CITY OF SAN ANTONIO, a Texas Municipal Corporation, as **LICENSOR**, hereinafter referred to as **CITY**, acting by and through its City Manager, the Assistant City Manager or an Assistant to the City Manager, pursuant to Ordinance No 84153 dated May 23, 1996, and GUNTER LIMITED PARTNERSHIP, an Illinois Limited Partnership, hereinafter referred to as **LICENSEE**

I.

PREMISES AND USE

1.1 **Licensed Premises** For and in consideration of the observance of the terms and conditions set forth herein, **CITY** grants to **LICENSEE**, a license being permission to use public right-of-way, specifically (1) the subsurface under and air space over the sidewalks of North St. Mary's and East Houston streets, (2) the air space above and subsurface under a 14-foot wide alley adjacent to the east side of the Sheraton Gunter Hotel, (3) the sidewalk surface and subsurface under and air space above said sidewalk surface on East Houston Street, and (4) the air space above the sidewalks of Travis and North St. Mary's streets, all areas being adjacent to and abutting portions of land and improvements, known as the Sheraton Gunter Hotel at 205 East Houston Street, being Lots 1, 2, 3, 4, part of 5, and 6, New City Block 407, San Antonio, Bexar County, Texas; such areas are legally described in Exhibit "A" and shown on Exhibit "B" attached hereto, being the Licensed Premises, hereafter "Premises" and solely for the purposes described below

1.2 Notwithstanding anything to the contrary contained in any easements, whether recorded or unrecorded but apparent affecting the Premises or property adjacent to the Premises in which **LICENSEE** has an interest, **LICENSEE** shall have the right to use, maintain and operate the improvements currently existing or hereafter constructed, replaced, installed, or otherwise placed within the Premises provided (1) the **CITY** shall retain the right to full use of the surface, subsurface under and air space above, the Premises, except for the areas set forth herein where **LICENSEE** has acquired the right to place **LICENSEE'S** improvements; and (2) **LICENSEE** shall promptly replace or repair to their prior condition or promptly relocate any other improvements or utility lines or utility improvements which are damaged, disturbed, or otherwise affected by the maintenance of **LICENSEE'S** improvements by **LICENSEE**, its, employees, agents, representatives, contractors or subcontractors within the Premises.

1.3 **Purpose and Use** The purpose of this license is to permit the use, maintenance, and operation as well as, any future installation, construction, replacement, or placement of improvements if approved by **CITY**, and improvements currently existing and in place as follows (1) existing basement and balcony encroachments over and under the public sidewalks of North St. Mary's and East

Houston streets, (2) existing smokestack and related basement encroachments over and under a 14-foot wide alley adjacent to the east side of the Sheraton Gunter Hotel, (3) an existing use of 207 square feet of East Houston Street right-of-way for an open air sidewalk cafe, and (4) a 4-foot overhead encroachment by an existing parking structure above the public sidewalks of Travis and North St Mary's streets. LICENSEE's entry into and use of CITY's property above shall be limited to these purposes.

1.4 **CITY's Superior Interest.** LICENSEE acknowledges that this License Agreement is limited in nature and the CITY does not purport to convey any real property interest in any of the property over, under or upon the Premises in which LICENSEE's improvements are located. The CITY reserves the right to enter the Premises at any time for the minimum time necessary to prevent an accrual of any rights in any person other than such rights established prior to and pursuant to this License Agreement and also for the purpose of asserting its superior interest and exercise of the CITY'S superior (condemnation) rights and for emergency purposes.

1.5 **Recording.** CITY and LICENSEE will execute for the purposes of recordation in the appropriate real property records, a memorandum or short form of the License Agreement containing the names of the parties, a description of the Premises, the term of the License, and other such provisions as either party may require. The cost and expense of recording the memorandum, or short form of the License Agreement, shall be borne by the LICENSEE.

II. **LICENSE FEE**

2.1 **Payment as consideration.** The total License Fee for this grant, to be delivered to CITY by LICENSEE, is ONE HUNDRED TWENTY-FIVE THOUSAND NINE HUNDRED SEVENTY-SIX DOLLARS (\$125,976.00) for the five (5) year term, payable at the office of the City Treasurer, 506 Dolorosa Street, San Antonio, Bexar County, Texas. Said Fee is due and payable annually in accordance with the payment schedule set forth in Exhibit "C" attached hereto. The first payment of \$21,720.00 is due on or before June 10, 1996 and each subsequent payment due on or before June 10th of each year of the term commencing with the payment due in 1997.

III **TERM**

3.1 **Term** The LICENSE hereby granted shall be for a term of five (5) years, beginning on the effective date of this License Agreement, unless terminated at the option of the LICENSEE or CITY, pursuant to the terms herein. CITY will consider, and LICENSEE may negotiate for, an extension prior to the time of the expiration hereof pursuant to the provisions of Article XI of the City Charter, or its successor provision. However, at such renewal, the terms for such renewal shall be adjusted to reflect the fair market license fee existing at the time of renewal, as determined by an appraisal done by CITY through its Director of Asset Management or his successor. All other terms and provisions still in force under this agreement will remain in effect at the time of said renewal.

IV.

CONSTRUCTION, MAINTENANCE AND OPERATIONS

4.1 **Costs**. LICENSEE shall be solely responsible for all costs of construction, installation, maintenance and operation and future repair and replacement of existing improvements and construction and installation of future improvements of the aforementioned improvements and any other costs related to this License. The CITY shall have no financial obligations whatsoever regarding this License.

4.2 **Damages**. The CITY shall not be liable for any damages caused to the Premises by reason of construction performed previously by LICENSEE's predecessors or in the future by LICENSEE or any maintenance or operation of activities authorized by CITY.

4.3 **Barricades**. If a detour route or a barricade is required to protect the interest of the CITY or the public, LICENSEE shall, in accordance with plans developed and furnished by the CITY'S Department of Traffic and Transportation, construct the detour and make arrangements for such barricades at LICENSEE's sole cost and expense.

4.4 **Maintenance**. If it should become necessary that any maintenance or adjustment be made in LICENSEE's improvements hereunder by reason of the exercise of CITY's rights, powers and/or duties, such maintenance or adjustments shall be done at LICENSEE's sole cost and expense. LICENSEE, at its sole cost and expense, agrees to maintain, as necessary, the improvements constructed and installed by LICENSEE, previously by its predecessors or in the future, adhering to all applicable safety standards, including those imposed by State laws, Federal laws, CITY ordinances and Bexar County ordinances.

4.5 **Not Binding**. LICENSEE covenants that LICENSEE shall not bind, nor shall LICENSEE'S contractors or subcontractors bind, or attempt to bind, CITY for payment of any money in connection with any construction, repair, maintenance, alterations, additions, improvements, adjustments, relocation, or reconstruction work in, on or about the Premises, whether authorized or unauthorized hereunder. LICENSEE hereby agrees to promptly pay all persons supplying labor, services and materials in the performance of any and all current or future installation, construction, repair, maintenance, alterations, additions, improvements, adjustments, relocation, or reconstruction that may be made. **LICENSEE WILL REQUIRE LICENSEE'S CONTRACTORS AND SUBCONTRACTORS TO FULLY INDEMNIFY AND HOLD HARMLESS CITY AGAINST ANY AND ALL CLAIMS, LIENS, SUITS, OR ACTIONS ASSERTED BY ANY PERSON, FIRM OR CORPORATION ON ACCOUNT OF LABOR, MATERIAL OR SERVICES FURNISHED TO LICENSEE OR SAID CONTRACTORS OR SUBCONTRACTORS DURING THE PERFORMANCE OF ANY SAID CONSTRUCTION AND AGAINST ANY CLAIM FOR INJURY OR DEATH TO PERSONS OR DAMAGE TO ANY PROPERTY.**

4.6 **Signs**. LICENSEE will have LICENSEE'S contractors and subcontractors agree to install all signs, including location, direction and warning signs, as required by

applicable CITY and Bexar County ordinances, as well as State and Federal laws, in the event construction, maintenance or operations of the improvements warrant same

V.
SPECIFIC CONDITION

5.1 **LICENSEE** acknowledges that the execution of this License Agreement by **CITY** and approval of the **CITY** Ordinance authorizing such execution were specifically conditioned upon the payment to **CITY** by GUNTER PLAZA INVESTORS (and GUNTER HOTEL ASSOCIATES doing business as THE GUNTER HOTEL and also doing business as SHERATON GUNTER HOTEL, to the extent such "ASSOCIATES" entity is indebted to the **CITY**) of all delinquent License Fees, Lease rentals, Hotel Occupancy Taxes, ad valorem real and personal property taxes, Downtown Improvement District assessments, and any and all other taxes and general and special assessments due to the **CITY** as of the date of closing of the purchase of the Sheraton Gunter Hotel by **LICENSEE**.

VI.
INDEMNITY

6.1 **CITY SHALL NOT ASSUME ANY LIABILITY BY REASON OF ITS GRANT OF THIS LICENSE OR LICENSEE'S EXERCISE OF ITS RIGHTS HEREUNDER. LICENSEE ASSUMES, ACCEPTS , AND RECOGNIZES FULL AND COMPLETE RESPONSIBILITY AND LIABILITY FOR ANY AND ALL ACTIONS OR CLAIMS WHICH RESULT FROM, GROW OUT OF, OR ARE INCIDENT TO THE MAINTENANCE AND USE OF THE PROPERTY OR ANY PART THEREOF BY LICENSEE OR ITS AGENTS, EMPLOYEES, CONTRACTORS OR SUBCONTRACTORS. LICENSEE AGREES TO FULLY INDEMNIFY, SAVE AND HOLD HARMLESS THE CITY FROM AND AGAINST ALL CLAIMS, LOSSES, LIENS, DAMAGES, LIABILITY, INJURIES OR DEATHS TO THIRD PARTIES, EXPENSES, INCLUDING, BUT NOT LIMITED TO, ALL EXPENSES INCIDENTAL TO THE INVESTIGATION AND DEFENSE THEREOF, FEES, FINES, PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, AND SUITS MADE UPON CITY BASED UPON OR ARISING OUT OF, RESULTING FROM, OR RELATED TO LICENSEE, ANY OF LICENSEE'S ACTIVITIES UNDER THIS LICENSE AGREEMENT, INCLUDING ANY ACTS OR OMISSIONS OF LICENSEE, ANY OF LICENSEE'S CONTRACTORS OR SUBCONTRACTORS OR LICENSEE'S AGENTS, EMPLOYEES, OR REPRESENTATIVES, WHILE IN THE EXERCISE OR PERFORMANCE BY LICENSEE, LICENSEE'S AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS OR SUBCONTRACTORS OF THE RIGHTS AND DUTIES UNDER THIS LICENSE AGREEMENT AND LICENSEE SHALL SEE TO THE INVESTIGATION OF AND DEFENSE OF SUCH CLAIM OR DEMAND AT LICENSEE'S SOLE COST AND EXPENSE, INCLUDING THE PAYMENT OF ATTORNEY'S FEES AND COURT COSTS. SUCH INDEMNITY SHALL APPLY EVEN WHERE ANY SUCH CLAIMS, LOSSES, DAMAGE, CAUSES OF ACTIONS, SUITS, OR LIABILITY ARISE IN ANY PART FROM THE NEGLIGENCE OF THE CITY, EXCEPT FOR THE SOLE ACTIVE NEGLIGENCE OF THE CITY. LICENSEE SHALL PROMPTLY ADVISE THE CITY IN WRITING OF ANY CLAIM OR DEMAND AGAINST LICENSEE OR THE CITY KNOWN TO LICENSEE RELATED TO OR ARISING OUT OF LICENSEE'S ACTIVITIES UNDER THIS LICENSE AGREEMENT AND SHALL SEE TO THE INVESTIGATION OF AND DEFENSE OF SUCH CLAIM OR DEMAND AT LICENSEE'S SOLE COST AND EXPENSE, INCLUDING THE PAYMENT OF ATTORNEY'S FEES, AND COURT COSTS. FURTHER, THE CITY SHALL NOT BE LIABLE OR RESPONSIBLE FOR**

ANY LOSS OR DAMAGE TO ANY PROPERTY OR PERSON OCCASIONED BY THEFT, FIRE, ACT OF GOD, PUBLIC ENEMY, INJUNCTION, RIOT, STRIKE, INSURRECTION, WAR, COURT ORDER, REQUISITION OR ORDER OF GOVERNMENTAL BODY OR AUTHORITY OR OTHER MATTER BEYOND THE REASONABLE CONTROL OF THE CITY OR FOR ANY DAMAGE OR INCONVENIENCE WHICH MAY ARISE THROUGH REPAIR OR ALTERATION OF ANY PART OF THE STREET RIGHTS- OF- WAY OR ON ANY OTHER IMPROVEMENTS WITHIN THE PREMISES, OR FAILURE TO MAKE REPAIRS, OR FROM ANY CAUSE WHATEVER, EXCEPT AS RESULTS FROM THE CITY'S SOLE ACTIVE NEGLIGENCE.

6.2 THE CITY SHALL NOT BE LIABLE FOR ANY DAMAGE EITHER TO THE PERSON OR PROPERTY OF LICENSEE COVERED BY THIS LICENSE OR TO OTHER PERSONS DUE TO THE PREMISES OR ANY PART OR APPURTENANCES THEREOF ARISING FROM BURSTING OR LEAKING OF WATER, GAS, WASTE PIPES, SPRINKLER SYSTEMS, OR DEFECTIVE WIRING OR EXCESSIVE OR DEFICIENT ELECTRICAL CURRENT OR CONDUIT MALFUNCTIONING, OR FROM ANY ACT OR OMISSION OF LICENSEE, OR ANY OTHER PERSONS ON OR ABOUT SAID PREMISES, UNLESS SUCH DAMAGE SHALL HAVE BEEN CAUSED BY THE SOLE ACTIVE NEGLIGENCE OF THE CITY, ITS EMPLOYEES, CONTRACTORS OR REPRESENTATIVES, AND THEN ONLY TO THE EXTENT OF THE CITY'S LIMITS OF LIABILITY UNDER THE TEXAS TORT CLAIMS ACT, WITH ANY INDEMNIFICATION TO BE MADE ONLY UPON FINAL ADJUDICATION OR SETTLEMENT, SUCH LIMIT OF LIABILITY TO APPLY TO ALL OTHER REFERENCES AS TO CITY'S SOLE ACTIVE NEGLIGENCE IN THIS LICENSE AGREEMENT.

6.3 IT IS THE EXPRESSED INTENT OF THE PARTIES TO THIS LICENSE AGREEMENT THAT THE INDEMNITY PROVIDED FOR IN THIS ARTICLE IS AN INDEMNITY EXTENDED BY CONTRACTOR TO INDEMNIFY AND PROTECT THE CITY FROM THE CONSEQUENCES OF THE CITY'S OWN NEGLIGENCE, PROVIDED HOWEVER, THAT THE INDEMNITY PROVIDED FOR IN THIS SECTION SHALL HAVE NO APPLICATION WHEN THE NEGLIGENT ACT OF THE CITY IS THE SOLE CAUSE OF THE RESULTANT INJURY, DEATH OR DAMAGE. LICENSEE FURTHER AGREES TO DEFEND, AT ITS OWN EXPENSE, AND ON BEHALF OF THE CITY AND IN THE NAME OF THE CITY, ANY CLAIM OR LITIGATION BROUGHT IN CONNECTION WITH ANY SUCH INJURY, DEATH OR DAMAGE.

VII. INSURANCE

7.1 Without limiting the CITY's rights to indemnification, LICENSEE shall provide and maintain insurance, at its own expense, with companies admitted to do business in the State of Texas, and rated A or better by A.M. Best Company and/or otherwise acceptable to CITY in the following types and amounts for the term of this License, including periods of construction and installation of said improvements

	TYPE	AMOUNT
1	Worker's Compensation	Statutory, with a waiver of subrogation in favor of CITY.

AND

- | | | |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| 2 | Employers' Liability | \$500,000 per occurrence,
with a waiver of subrogation
in favor of CITY. |
| 3. | Commercial General (Public) Liability - to
include coverage for the following where
the exposure exists.

(a) Premises/Operations
(b) Independent Contractors
(c) Products/Completed Operations
(d) Personal Injury Liability
(e) Contractual Liability
(f) Explosion, Collapse and Underground
Property Damage
(g) Broad Form Property Damage
(h) Liquor Legal Liability | Combined Single Limit for
Bodily Injury and Property
Damage \$1,000,000 per
occurrence. |
| 4. | Property Insurance – for physical damage
to the property of LICENSEE including
improvements and betterments to the
Premises | Coverage for a minimum
of the replacement cost of
the improvements |
| 5 | Comprehensive Automobile Liability

a Owned/Leased vehicles
b Non-owned vehicles
c. Hired vehicles | Combined Single Limit
for Bodily Injury and
Property Damage of
\$1,000,000 per occurrence
or its equivalent |

7 2 CITY's Risk Manager is hereby authorized to modify the requirements set forth above in the event he determines that such modification is in the CITY's best interest

7 3 LICENSEE further agrees that, with respect to the above required insurance, each insurance policy required by this License shall contain the following clauses.

"This insurance shall not be canceled, limited in scope or coverage, or non-renewed until after thirty (30) days' prior written notice has been given to

- (a) City Clerk, City of San Antonio
City Hall/Military Plaza
P.O. Box 839966/2nd Floor, City Hall
San Antonio, Texas 78283-3966
Attention: Risk Manager

(b) Asset Management Department
City of San Antonio
P O Box 839966
San Antonio, Texas 78283-3966
Attention Roland Lozano, Director

"It is agreed that any insurance provided by **LICENSEE** is primary to any insurance or self-insurance maintained by the **CITY OF SAN ANTONIO**."

"It is agreed that any insurance or self-insurance maintained by the **CITY OF SAN ANTONIO** shall apply in excess of, or not contribute with, insurance provided by this policy."

7.4 Each insurance policy required by this License, excepting policies for Workers' Compensation, Employer's Liability and Professional Liability, shall 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 or, or on behalf of, the named insured performed under a License with the City of San Antonio "

7.5 In those cases where **LICENSEE** makes any additional improvements or any subsequent repair, maintenance, alterations, relocation or reconstruction work, as provided herein, save and except for routine day-to-day operations and custodial maintenance, the **LICENSEE** shall further procure and maintain in full force and effect during the term of such construction contract and until all work is accepted by the **CITY OF SAN ANTONIO**, (1) builder's risk insurance for the replacement cost of the improvements being constructed, (2) commercial general (public) liability insurance adequate to fully protect **CITY** and **LICENSEE** from and against any and all liability for death of, or injury to, persons, or damage to property, caused in or about, or by reason of, the construction of said improvements; (3) workers' compensation and employer's liability insurance, (4) professional liability insurance for architects and engineers, and (5) any other liability or other insurance coverage in the amounts and types of coverage approved by **CITY's** Risk Manager, covering all risks of physical loss during the term of any Contract for such construction work and until said work is accepted by the **CITY OF SAN ANTONIO**. Also payment and performance bonds naming the **CITY** as indemnitee shall be provided by the **LICENSEE** or its contractors or subcontractors. Should the size and scope of a contract for such construction work be limited in nature, the **LICENSEE** may request, in writing to the **CITY OF SAN ANTONIO's** Director of Asset Management Department, a waiver of the requirements in this Article; however, a waiver may only be granted by **CITY's** Risk Manager. In any event, the **CITY's** Risk Manager's decision shall be final

7.6 Further **LICENSEE** agrees to provide to **CITY**, within thirty (30) days of the execution date of this License Agreement, endorsements to the above-required policies, which add to these policies the applicable clauses referenced above in Sections 7.3 and 7.4. Such endorsements shall be signed by an authorized representative of the insurance company and shall include the signator's company affiliation and title. Should it be deemed necessary by the **CITY**, it shall be **LICENSEE's** responsibility to see that

the CITY receives documentation acceptable to CITY which confirms that the individual signing said endorsements is authorized to do so by the insurance company

7 7 Said Notices and Certificates of Insurance shall be provided to

- (a) Department of Asset Management
City of San Antonio
P O Box 839966
San Antonio, Texas 78283-3966

- (b) City Clerk, City of San Antonio
P O Box 839966/2nd Floor, City Hall
San Antonio, Texas 78283-3966
Attn Risk Manager

7 8 Nothing herein contained shall be construed as limiting in any way the extent to which LICENSEE may be held responsible for the payment of damages to persons or property resulting from LICENSEE's activities or the activities of LICENSEE's agents, employees, sublicensees, or invitees under this License

7.9 CITY, its agents or employees shall not be liable, and LICENSEE waives all claims for any damage to persons or property sustained by LICENSEE or any person claiming through LICENSEE, which may occur on the Premises, or for the loss of, or damage to, any property of LICENSEE or of others by theft or otherwise, whether caused by other persons on the Premises or by occupants of adjacent property or the public or LICENSEE's employees, agents, invitees, contractors or subcontractors. **LICENSEE SHALL SAVE AND HOLD HARMLESS CITY, EXCEPT FOR THE CITY'S SOLE ACTIVE NEGLIGENCE, FROM ANY AND ALL CLAIMS ARISING OUT OF DAMAGE TO LICENSEE'S PROPERTY, INCLUDING SUBROGATION CLAIMS BY LICENSEE'S INSURERS**

7 10 Any and all employees, representatives, agents, contractors, subcontractors, sublicensees, assignees, or volunteers of LICENSEE or any other party providing services on behalf of LICENSEE while engaged in the performance of any work required by the CITY or LICENSEE related to the Premises shall be considered employees, representatives, agents, contractors, subcontractors, sublicensees, assignees, or volunteers or service providers of LICENSEE only, and not of the CITY unless otherwise required by law. Any and all claims that may result from any obligation for which LICENSEE may be held liable under any Workers' Compensation, Unemployment Compensation or Disability Benefits law or under any similar law on behalf of said employees, representatives, agents, contractors, subcontractors, sublicensees, assignees, or volunteers or service providers shall be the sole obligation and responsibility of LICENSEE. LICENSEE shall also secure Releases of Liability from said parties and provide copies thereof to CITY.

7.11 CITY reserves the right to review and require reasonable changes in insurance coverage at any time during the term of this License. In the event the LICENSEE believes the requested change is unreasonable, the LICENSEE shall have sixty (60) days from the date of the request to terminate the License Agreement by filing a notice of termination. Termination shall become effective thirty (30) days from the date of the Notice to Terminate.

VIII.
TERMINATION

8.1 In light of the consideration herein and the expense involved by **LICENSEE**, the parties agree that this License Agreement may not be terminated prior to the expiration of the term unless (1) the use made of the Premises under this License may become a nuisance, pursuant to the provisions of Section 137 of **CITY** Charter of **City** of San Antonio, Texas, or its successor section, or (2) in the event **LICENSEE** abandons the use of the Premises; or (3) in the event it is determined by the City's Public Works Director that **LICENSEE's** improvements unreasonably interfere with **CITY'S** use of the public right-of-way or (4) the failure to timely pay the annual License Fee in accordance with Exhibit "C" attached hereto or to pay any other sums due to the **CITY** or (5) failure to comply with any other provisions hereof

8.2 Prior to terminating this License Agreement for the reasons stated in 8.1 above, **CITY** shall give the **LICENSEE** and any first lienholder thirty (30) days prior written notice of the **CITY'S** intent to terminate in all instances and **LICENSEE** and any first lienholder shall be given a reasonable time to cure the cause for the termination notice, but, not to exceed forty-five (45) days from **LICENSEE's** and the first lienholder's receipt of notice.

IX.
ASSIGNMENT/SUBLICENSING

9.1 This License Agreement is personal to **LICENSEE** and shall not be assigned or sublicensed by **LICENSEE**, other than to its parent or affiliated entities or first lienholder or in connection with a foreclosure or deed in lieu with respect to such first lien, without the prior written consent of **CITY**, as evidenced by passage of a subsequent City of San Antonio ordinance.

X.
AMENDMENT

10.1 No amendment, modification or alteration of the terms of this License Agreement shall be binding unless it be in writing, dated subsequent to the date hereof, agreed to and duly executed by the parties

XI
NOTICES

11.1 To CITY Notices to **CITY** required or appropriate under this Agreement shall be deemed sufficient if by personal delivery or if by mail, in writing and mailed, registered or certified mail, postage prepaid, addressed to:

CITY Clerk
CITY of San Antonio
CITY Hall/Military Plaza
P O. 83996/2nd Floor
San Antonio, Texas 78283-3966

or to such other address as may hereafter be designated in writing by City Manager of the City of San Antonio

11.2 To LICENSEE Notices to Licensee shall be addressed to

Gunter Limited Partnership
c/o LaSalle Partners Limited
220 East 42nd Street
New York, New York 10017
Attention: Joseph D Long

and a copy to

Mayer, Brown & Platt
700 Louisiana Street Suite 3600
Houston, Texas 77002-2730
Attention M Marvin Katz

and a copy to the First Lienholder

Societe Generale, Agency
Southwest Agency
Trammell Crow Center
2001 Ross Ave , Suite 4800
Dallas, Texas 75201

or to such other address or addressee as may herein be designated in writing by **LICENSEE** or the First Lienholder

11.3 Notice will be deemed received not later than five (5) days after the date of mailing, if properly addressed.

XII. **RELATIONSHIP OF PARTIES**

12.1 Nothing contained herein shall be deemed or construed by the parties hereto, or by any third party, as creating the relationship of principal and agent, joint venturers or any other similar such relationship between the parties hereto. It is understood and agreed that no provisions contained herein nor any acts of the parties hereto create a relationship other than that of **LICENSOR** and **LICENSEE**.

XIII.
APPLICABLE LAW

13.1 This agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties created hereunder are performable in Bexar County, Texas. Further, the privileges granted hereunder shall be construed to be only those authorized by pertinent Texas Statutes and the City Charter of the City of San Antonio, Texas and not to include anything inconsistent with the rights of the public in the aforementioned public right-of-way areas.

XIV.
CAPTIONS

14.1 The captions contained in this instrument are for convenience only and in no way limit or enlarge the terms and conditions of this License.

XV.
MISCELLANEOUS

15.1 **Nondiscrimination.** LICENSEE covenants that LICENSEE, its agents, employees or anyone under its control, will not discriminate against any individual or group on account of race, color, sex, age, religion, national origin, or handicap, in employment practices or in the use of the Premises, which said discrimination LICENSEE acknowledges is prohibited.

15.2 **Wages.** LICENSEE shall pay wages which are not less than the minimum wages required by Federal and State statutes and CITY and County ordinances, to persons employed in LICENSEE's operation under this License Agreement.

15.3 **Conflict of Interest.** LICENSEE acknowledges that it is informed that Texas law and the CITY Charter prohibit contracts between the CITY and any local public official ("official"), such as a CITY officer and employee, and that the prohibition extends to an officer and employee of CITY agencies such as City-owned utilities and certain CITY contracts involving a business entity in which the official has a substantial interest, as defined by Texas law, if it is reasonably foreseeable that an action on the matter would confer an economic benefit on the business entity. LICENSEE certifies (and this License Agreement is made in reliance thereon) that to the actual knowledge of the undersigned representative of LICENSEE, neither LICENSEE, its employees or agents, nor any person having a substantial interest in this License Agreement, is an officer or employee of CITY or any of its agencies.

15.4 **Covenants.** Covenants and obligations of LICENSEE contained herein shall be covenants running with the land, binding upon its legal representatives, successors, and assigns.

15.5 **Condemnation.** It is agreed and understood that in the event that the Premises is taken, in whole or in part, by a governmental authority and the taking materially deprives LICENSEE of its rights to use the remaining part of the Premises, if any, and any other rights pursuant to this License Agreement, either party may, upon

thirty (30) days prior written notice to the other, terminate this License Agreement. In the event of a taking or condemnation, **LICENSEE** shall have the right to pursue in the condemnation proceedings all claims arising from the taking or condemnation as it affects **LICENSEE'S** rights hereunder, including but not limited to, damage to any improvements made to the Premises by **LICENSEE**, damage to and interruption of **LICENSEE'S** business, damage to **LICENSEE'S** improvements, and expenses for **LICENSEE'S** relocation and replacement of access across the Licensed Premises

15.6 **Separability** The parties hereto agree that if any clause or provision of this License Agreement is determined to be illegal, invalid or unenforceable, under any present or future federal, state, or local law, including, but not limited to, the **CITY** Charter, **CITY** Code, or **CITY** ordinances of the City of San Antonio, Texas, effective during the term of this License Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this License Agreement shall not be affected thereby, and it also the intention of the parties to this License Agreement that in lieu of each clause or provision of this License Agreement that is illegal, invalid or unenforceable, there be added as a part of this License Agreement a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid and enforceable

15.7 **Taxes and Licenses** **LICENSEE** shall pay, on or before their respective due dates, to the appropriate collecting authority, all real property, personal property, and other special taxes and assessments specifically including, but not limited to, ad valorem property taxes, Hotel Occupancy Taxes, and Downtown Improvement District assessments, assessed against the improvements, to the **LICENSEE'S** Premises, operations on the Premises, and **LICENSEE'S** activities hereunder, and any of **LICENSEE'S** property used in connection with the said improvements and Premises, subject, however, to the right of **LICENSEE** to contest the amount, applicability or validity of all or any part of said taxes and assessments and provided that **LICENSEE** shall have no obligation to pay real property taxes or other special taxes or assessments arising from the **CITY'S** interest in the Licensed Premises

15.8 **Approval of the City** Whenever this License Agreement calls for approval by **CITY**, unless otherwise explained herein, such approval shall be evidenced by the written approval of the Director of Asset Management of the City of San Antonio or his designee

XVI. **ENTIRE AGREEMENT**

16.1 This License Agreement, together with its exhibits and the authorizing ordinance or ordinances, in writing, constitute the entire License Agreement, with any other written or parol agreement with **LICENSEE** being expressly waived by **LICENSEE**. It is understood that the Charter of the **CITY** requires that all contracts with the **CITY** be in writing and adopted by ordinance

XVII.
AUTHORITY

17.1 The signer of this License Agreement for **LICENSEE** hereby represents and warrants that he or she has full authority to execute this license on behalf of **LICENSEE** and that he or she has had full opportunity to read the contents hereof and to seek its review by legal counsel.

EXECUTED to be effective as of May 30, 1996 ("Effective Date") on the Closing date of **LICENSEE's** purchase of the Sheraton Gunter Hotel, if later

LICENSOR:

CITY OF SAN ANTONIO,
a Texas Municipal Corporation

LICENSEE:

GUNTER LIMITED PARTNERSHIP,
an Illinois limited partnership

By: LaSalle Gunter Limited Partnership,
an Illinois limited partnership, general partner

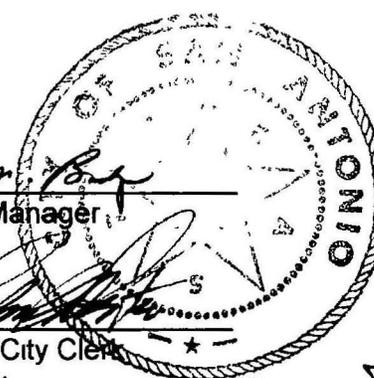
By: LaSalle Gunter GP, Inc.,
an Illinois corporation, general partner

By: 
Asst. to City Manager

ATTEST 
City Clerk

By: 
Name Joseph H. Lovel
Title V.P.

APPROVED AS TO FORM. 
for City Attorney



(1) Existing basement, balcony and smokestack encroachments in two tracts:

PART I

BEING 0.103 acres of land out of the street rights-of-way of East Houston Street and North St. Mary's Street adjacent to Lots 1, 2, 3 and 5, New City Block 407, within the City Limits of San Antonio, Bexar County, Texas, and being more particularly described as follows:

ORIGINATING: At an X found in the concrete walk at the point of intersection of the east right-of-way line of N. St. Mary's St. and the south right-of-way line of Travis Street, said corner being the northwest corner of Lot 2, New City Block 407;

S 00° 07' 13" W, 125.35 feet along the east right-of-way line of N. St. Mary's Street to an X inscribed in the concrete walk for the POINT OF BEGINNING of the hereinafter described tract;

THENCE: S 00° 07' 13" W, 205.09 feet along the east right-of-way line of N. St. Mary's Street and the western boundary of Lots 1 and 2, New City Block 407, to an X found in the concrete sidewalk at the corner of the intersection of the north right-of-way line of Houston Street and the east right-of-way line of N. St. Mary's Street for an interior corner of this tract;

THENCE: N 89° 58' 00" E, 155.32 feet along the north right-of-way line of Houston Street and the southern boundary of Lots 1, 3 and 5, New City Block 407, to a point in the north right-of-way line of Houston Street from whence an X was found in the concrete sidewalk bearing S 00° 07' 13" W a distance of 3.00 feet, said corner being the easternmost northeast corner of this tract;

THENCE: S 00° 02' 00" W, 17.30 feet to a point on the face of the curb of the north curb line of East Houston Street for the southeast corner of this tract;

THENCE: N 89° 55' 22" W, 150.28 feet along the north curb line of East Houston Street to a point of curvature of the curb line to the right;

THENCE: 20.81 feet along the arc of a curve to the right whose radius is 13.25 feet, delta angle is 89° 58' 25", tangent is 13.29 feet, and a chord of 18.73 feet which bears N 44° 56' 09" W to a point on the east curb line of N. St. Mary's Street for the southwest corner of this tract;

THENCE: N 00° 03' 03" E, 208.86 feet along the east curb line of N. St. Mary's Street to a point for the northwest corner of this tract;

THENCE: S 89° 52' 47" E, 8.45 feet to a point on the east right-of-way line of N. St. Mary's Street, said point being the POINT OF BEGINNING and containing 0.103 acres of land,



PART II

BEING 0.002 acres of land out of the variable width public alley running through New City Block 407 adjacent to the remaining portions of Lots 5 and 6, New City Block 407, within the City Limits of San Antonio, Bexar County, Texas, and being more particularly described as follows:

ORIGINATING: At an X found in the concrete walk at the point of intersection of the east right-of-way line of N. St. Mary's Street and the south right-of-way line of Travis Street, said point being the northwest corner of Lot 2, New City Block 407;

S 89° 48' 40" E, 155.32 feet along the south right-of-way line of Travis Street and the north boundary line of Lots 2, 4 and 6, New City Block 407 to an X found in the concrete at the point of intersection of the south right-of-way line of Travis Street and the west right-of-way line of a public alley;

S 00° 07' 13" W, 129.70 feet along the west right-of-way line of a public alley and the east boundary line of the Gunter Hotel property, following the east edge of the exterior wall of the Gunter Hotel;

S 89° 52' 47" E, 3.80 feet along the west right-of-way line of the public alley and the east edge of the Gunter Hotel;

S 00° 07' 13" W, 29.00 feet along the west right-of-way line of the public alley and the east edge of the Gunter Hotel to the POINT OF BEGINNING of the hereinafter described tract;

THENCE: S 89° 52' 47" E, 3.20 feet to a point in the variable width public alley for the northeast corner of this tract;

THENCE: S 00° 07' 13" W, 14.30 feet to a point in the variable width public alley for the southeast corner of this tract;

THENCE: N 89° 52' 47" W, 7.00 feet to a point on the west right-of-way line of the public alley and the east edge of the Gunter Hotel for the southwest corner of this tract;

THENCE: N 00° 07' 13" E, 14.30 feet along the west right-of-way line of the public alley and the east edge of the Gunter Hotel for the northwest corner of this tract;

THENCE: S 89° 52' 47" E, 3.80 feet along the west right-of-way line of the public alley to the POINT OF BEGINNING and containing 0.002 acres of land, more or less,



EAST TRAVIS ST.
(R.O.W. 55.6')

S00°07'13"W COL 29.56'

125.02'

CURB WITH WROUGHT IRON FENCE

TWO LEVEL PARKING AREA

STAIR WELL

CONCRETE RAMP

8" DIA COLUMN

CONCRETE CURB

2 METAL GRATE AIR VENTS

0.446 ACRE
(VOLUME 3303, PAGE 952 R.P.R.)

STAIRWELL

VALET PARKING BOOTH

155.32'

CONCRETE CURB
2ND LEVEL OVERHANG
CONCRETE WALK
GATE

S89°43'18"E

CURB WITH WROUGHT IRON FENCE

TWO LEVEL PARKING AREA

TWO LEVEL PARKING AREA

S89°52'47"E

CURB WITH WROUGHT IRON FENCE

BUILDING

2ND LEVEL OVERHANG

METAL GRATE AIR VENT

INLET METAL GRATE

6.5" x 8"

COL

GATE

CURB WITH WROUGHT IRON FENCE

N00°07'13"E

CONCRETE WALK

125.45'

2ND LEVEL OVERHANG

METAL DRAIN

DEPRESSED CURB

INLET

CONCRETE CURB

DEPRESSED CURB

CONCRETE CURB

DEPRESSED CURB

POINT OF BEGINNING

APPROXIMATE LOCATION IN THIS CORNER ONLY

INSIDE FACE

15.3'



(3) Sidewalk Cafe encroachment.

One area containing a total of 207.00 square feet;
located at 205 East Houston Street, south of Lots 5 and
3 (A-1), NCB 407, San Antonio, Bexar County, Texas

From the southeast corner of Lot 5, NCB 407;

THENCE 23.71 feet west of said corner and being the
north right-of-way of Houston Street to point
of beginning of lease area;

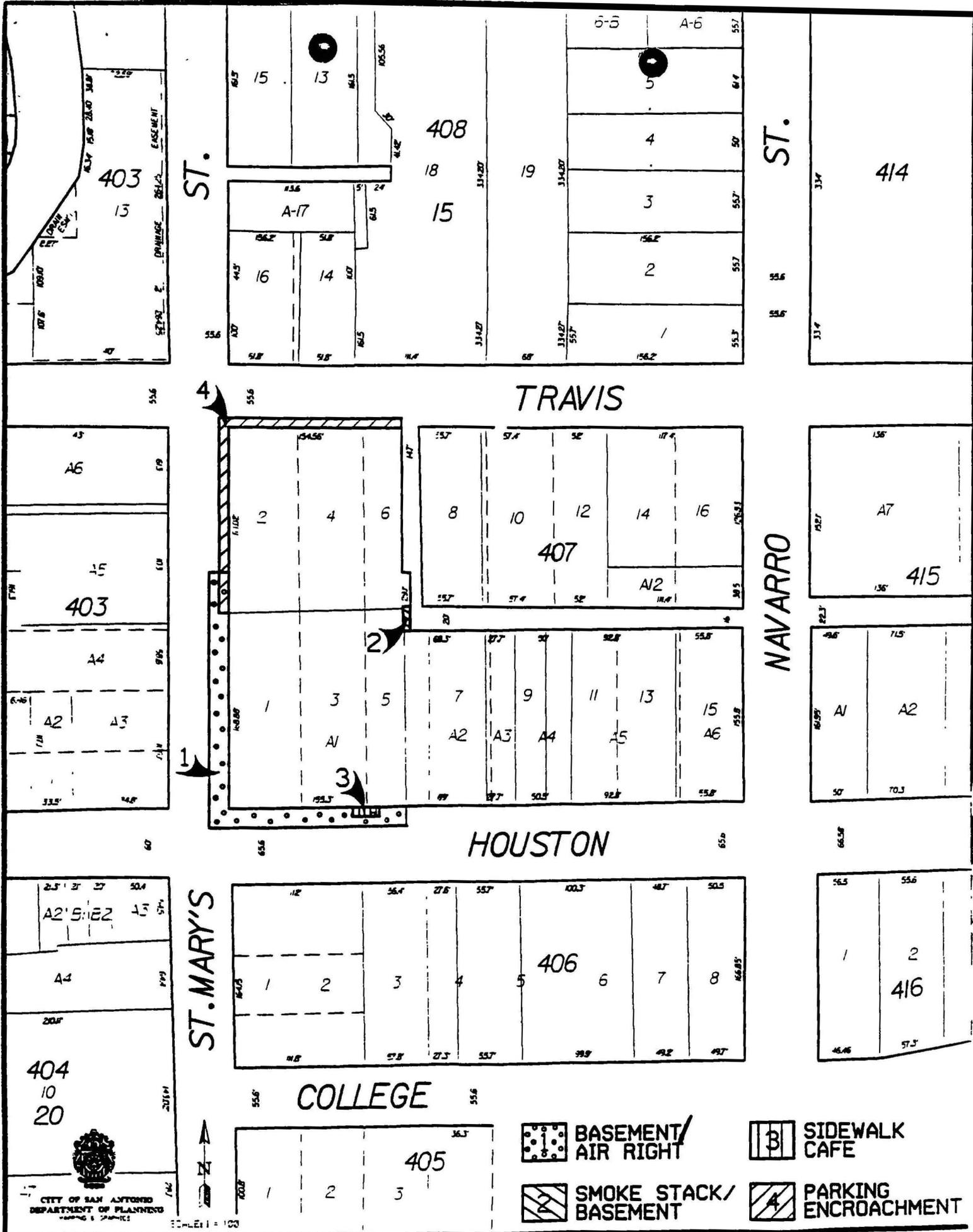
THENCE 23.00 feet west on Houston Street north right-
of-way;

9.00 south;

23.00 east;

9.00 north to point of beginning and
containing ±207.00 square feet





ST.

ST.

TRAVIS

NAVARRO

HOUSTON

ST. MARY'S

COLLEGE

 BASEMENT/
AIR RIGHT

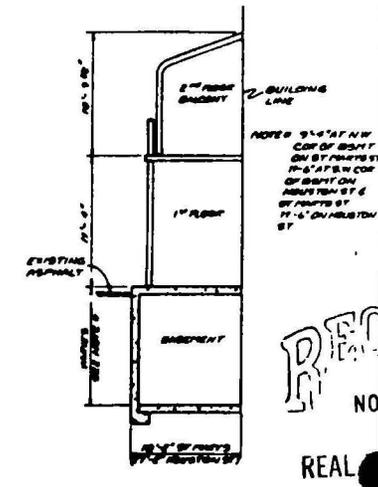
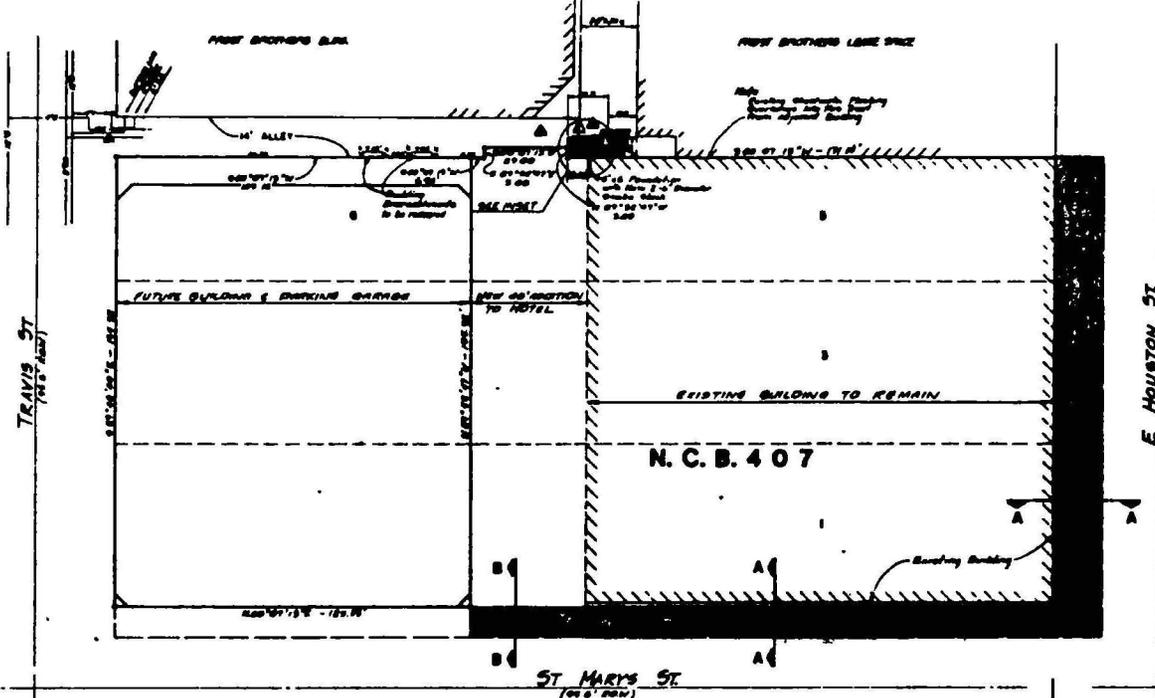
 SIDEWALK
CAFE

 SMOKE STACK/
BASEMENT

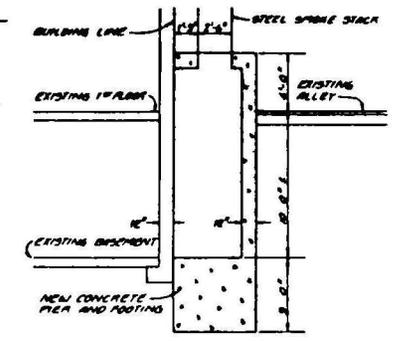
 PARKING
ENCROACHMENT

CITY OF SAN ANTONIO
DEPARTMENT OF PLANNING
AND COMMUNITY DEVELOPMENT

EXHIBIT "B"



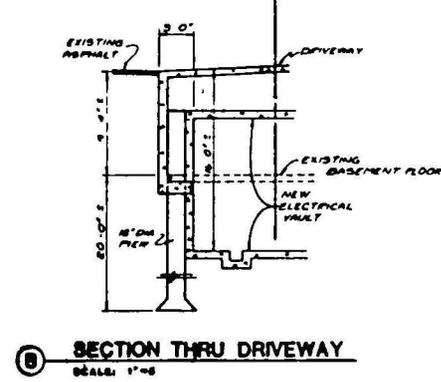
A BALCONY & BASEMENT ENCROACHMENT SECTION
SCALE: 1"=10'



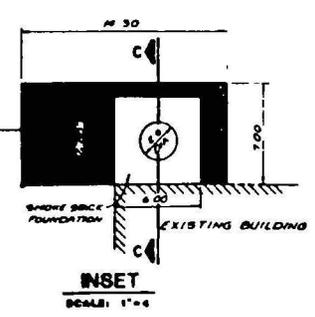
B SECTION THRU DRIVEWAY
SCALE: 1"=10'

<p>ADDED SECTIONS A, B & C AND DELETED PHASE II FROM PLAN</p> <p>PHASE II - ADDED NEW FOUNDATION ENCROACHMENT (removed from basement encroachment)</p> <p>REMOVED FROM PHASE II - LEGEND PLAN ADDED NEW BASEMENT ENCROACHMENT</p> <p>PHASE III - ADDED NEW BASEMENT ENCROACHMENT IN ALLEY (added proposed Smoke Stack)</p>		
<p>NO. 10 1645</p>	<p>RIGHT OF WAY PLAN FOR PHASE I OF THE GUNTER HOTEL MODIFICATIONS</p> <p>W. E. SIMPSON CO., INC. CONSULTING ENGINEERS</p>	<p>SCALE: 1"=10'</p> <p>DRAWN BY: M.S.C.</p> <p>DATE: 7-31-81</p> <p>SHEET NO.</p>

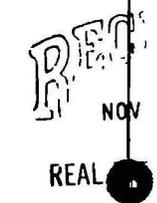
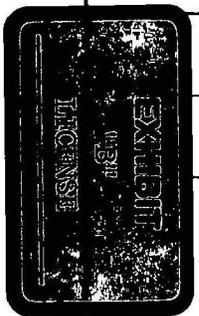
- LEGEND**
- EXISTING BALCONY & BASEMENT ENCROACHMENT TO REMAIN
 - EXISTING BASEMENT ENCROACHMENT TO REMAIN
 - NEW BASEMENT ENCROACHMENT
 - NEW FOUNDATION & 3RD FLOOR ENCROACHMENT
 - EXISTING BASEMENT & NEW 3RD FLOOR ENCROACHMENT
 - EXISTING BASEMENT & NEW BALCONY ENCROACHMENT
 - EXISTING BASEMENT TO BE REMOVED

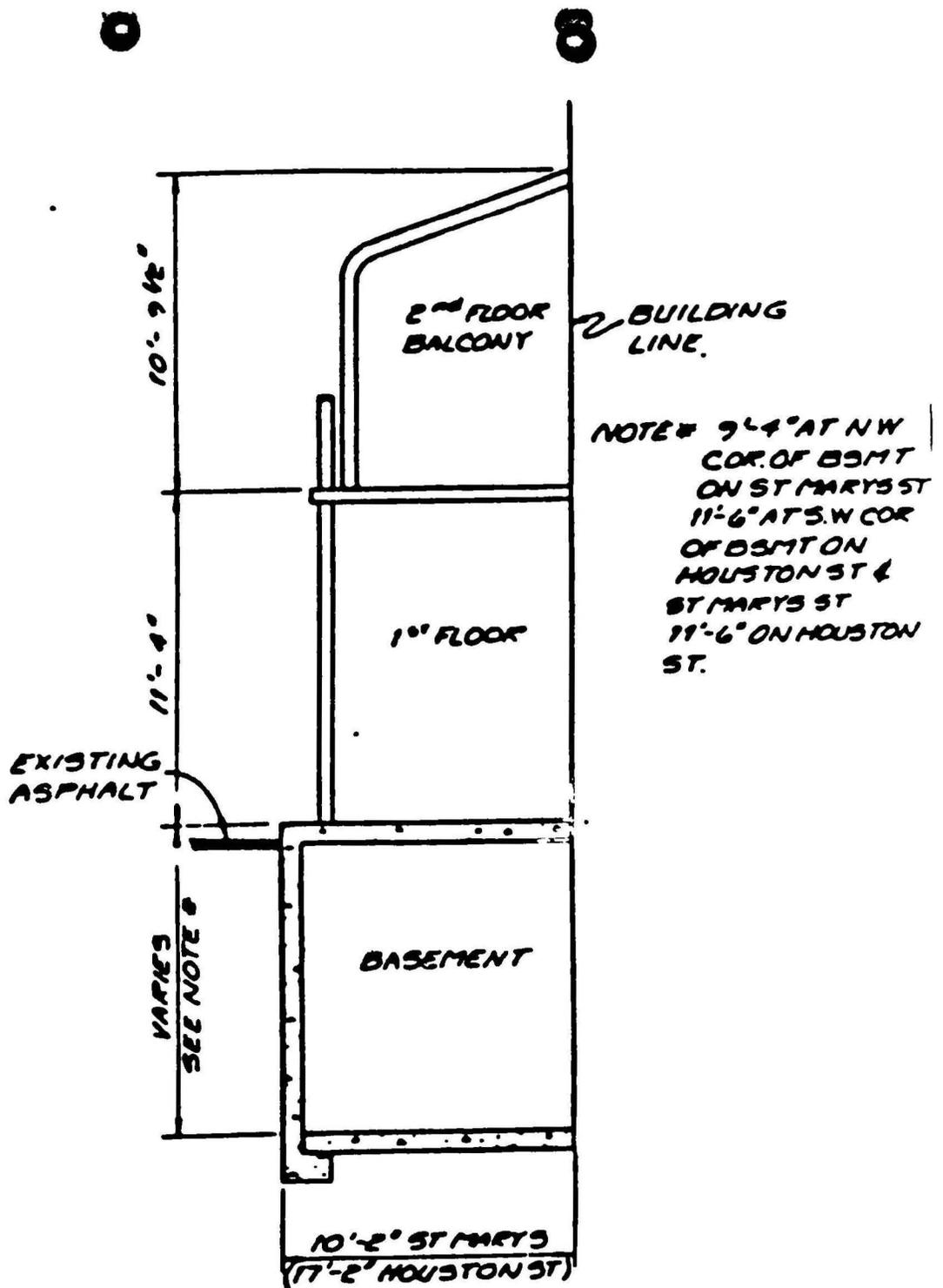


C SECTION THRU SMOKE STACK
SCALE: 1"=10'



INSET
SCALE: 1"=4'



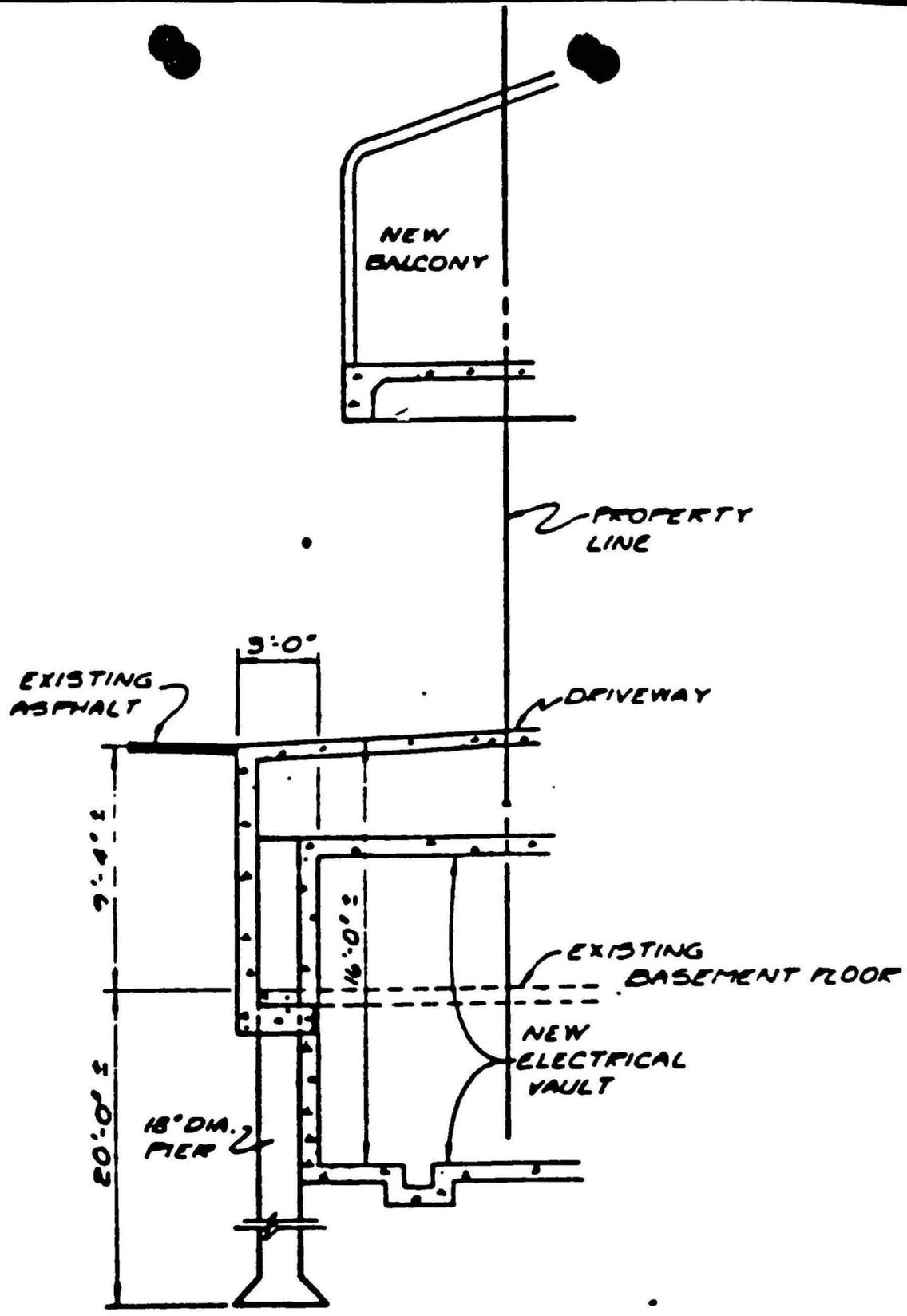


BALCONY & BASEMENT ENCROACHMENT SECTION

A

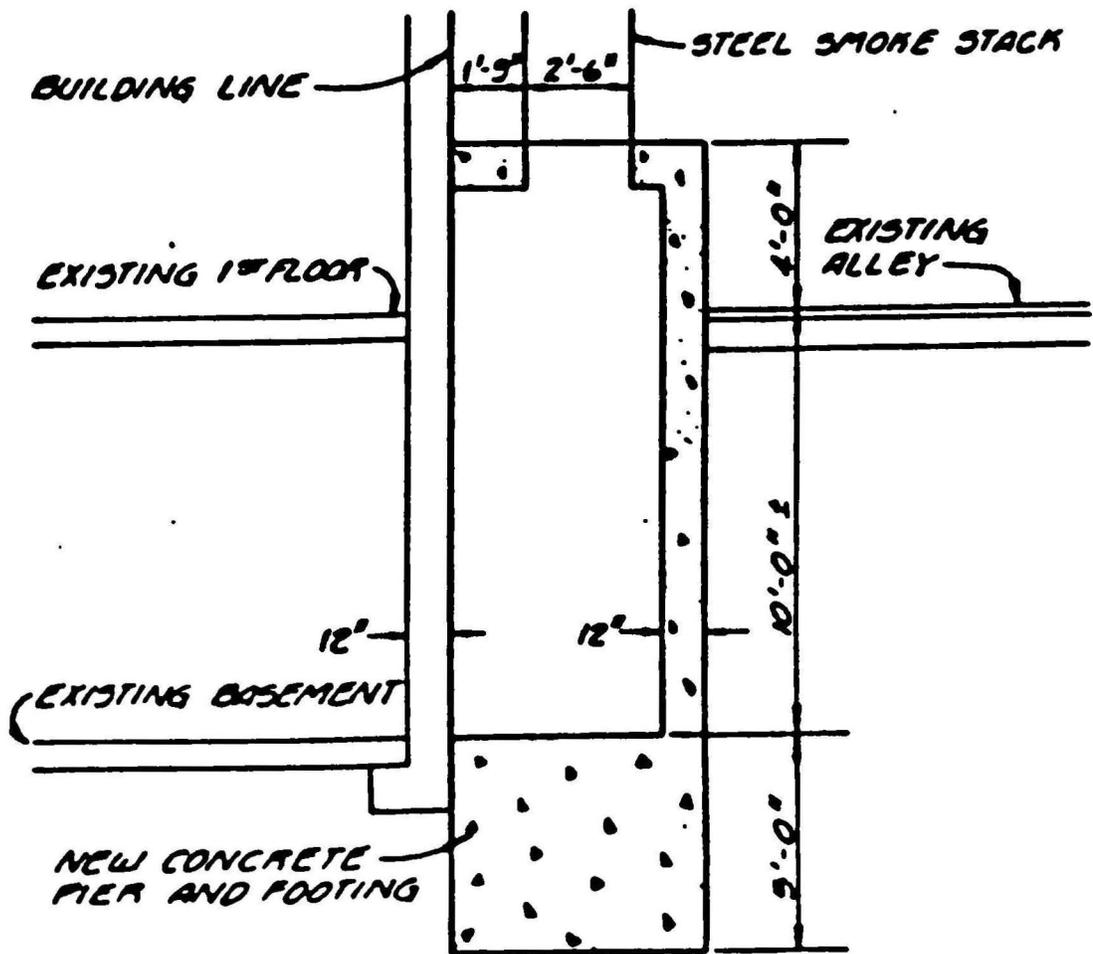
SCALE: 1"=6'





(B) SECTION THRU DRIVEWAY
 SCALE: 1"=6'





© SECTION THRU SMOKE STACK



(2) 4-foot Parking Structure encroachment

500'07'13" W COL COL 129.56'

125.02'

CURB WITH BROUGHT IRON FENCE

TWO LEVEL PARKING AREA

COL COL

CONCRETE RAMP

BUILDING OVERHANG

8" DIA COLUMN

CONCRETE CURB

2 METAL GRATE AIR VENTS

0.446 ACRE

(VOLUME 3303, PAGE 952 R.P.R.)

STAIRWELL

VALET PARKING BOOTH

155.32'

155.32'

S89°43'18" E

S89°52'47" E

TWO LEVEL PARKING AREA

TWO LEVEL PARKING AREA

INLET METAL GRATE

N00°07'13" E

CONCRETE WALK

125.45'

GATE

CURB WITH BROUGHT IRON FENCE

DEPRESSED CURB

INLET

CONCRETE CURB

DEPRESSED CURB

CONCRETE CURB

DEPRESSED CURB

POINT OF BEGINNING

APPROXIMATE LOCATION IN THIS CORNER ONLY

INSIDE FACE OF

EAST TRAVIS ST.
(R.O.W. 55.6')

DEPRESSED CURB

GATE

CONCRETE WALK

2ND LEVEL OVERHANG

CONCRETE CURB

CURB WITH BROUGHT IRON FENCE

6.8" DIA

NEWSPAPER DISPENSER

METAL DRAIN

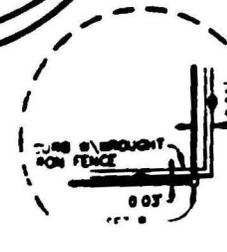
METAL DRAIN

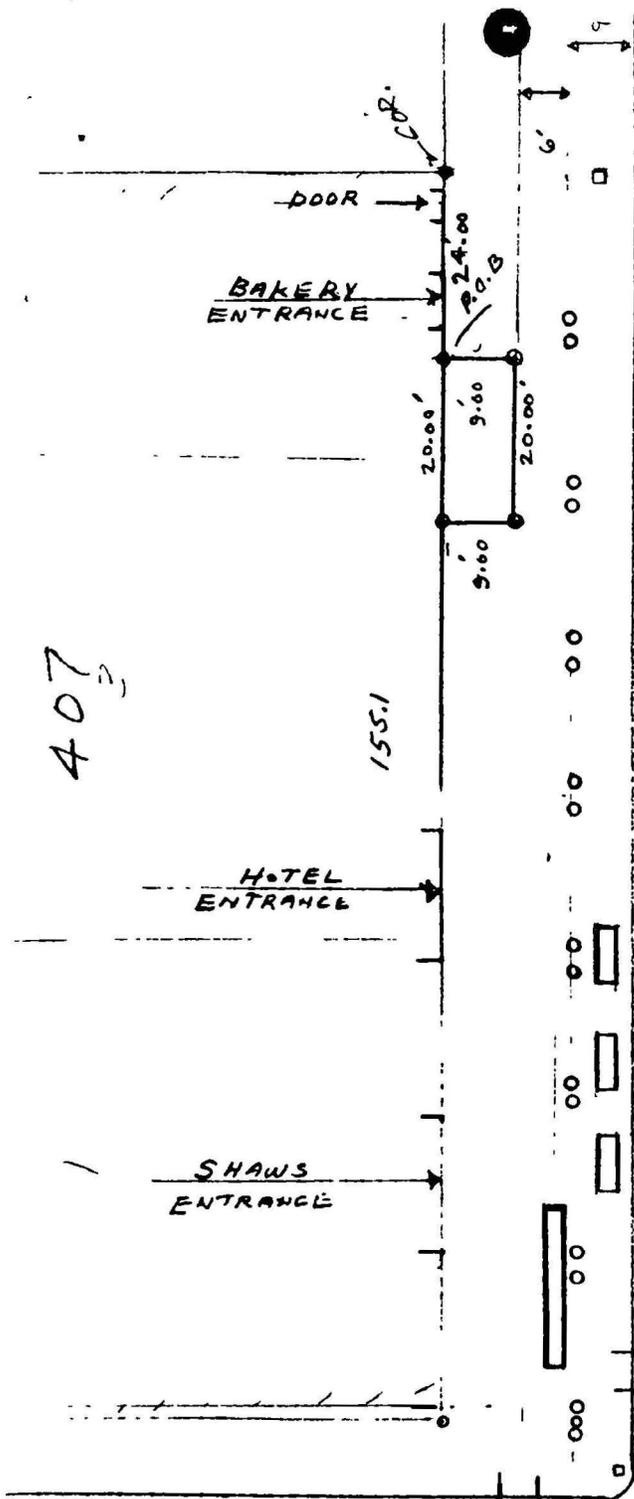
CURB WITH BROUGHT IRON FENCE

2ND LEVEL OVERHANG

METAL GRATE AIR VAULT

BUILDING





E HOUSTON ST.

A PLAT SHOWING A
LEASE AREA OF 180.09 SQ. FT.
EAST OF LOT 3 AND 5 IN
NCB 407 SAN ANTONIO
TEXAS BEXAR COUNTY

ST. MARYS ST.

STATE OF TEXAS
COUNTY OF BEXAR

I HEREBY CERTIFY THAT THE ABOVE PLAT IS TRUE AND CORRECT
ACCORDING TO AN ACTUAL SURVEY MADE ON THE GROUND UNDER
MY SUPERVISION AND THAT THERE ARE NO VISIBLE EASEMENTS OR
ENCROACHMENTS OF BUILDINGS ON ADJOINING PROPERTY AND THAT
ALL BUILDINGS ARE WHOLLY LOCATED ON THIS PROPERTY EXCEPT AS
SHOWN ABOVE.

This _____ day of _____, 19____ A. D.

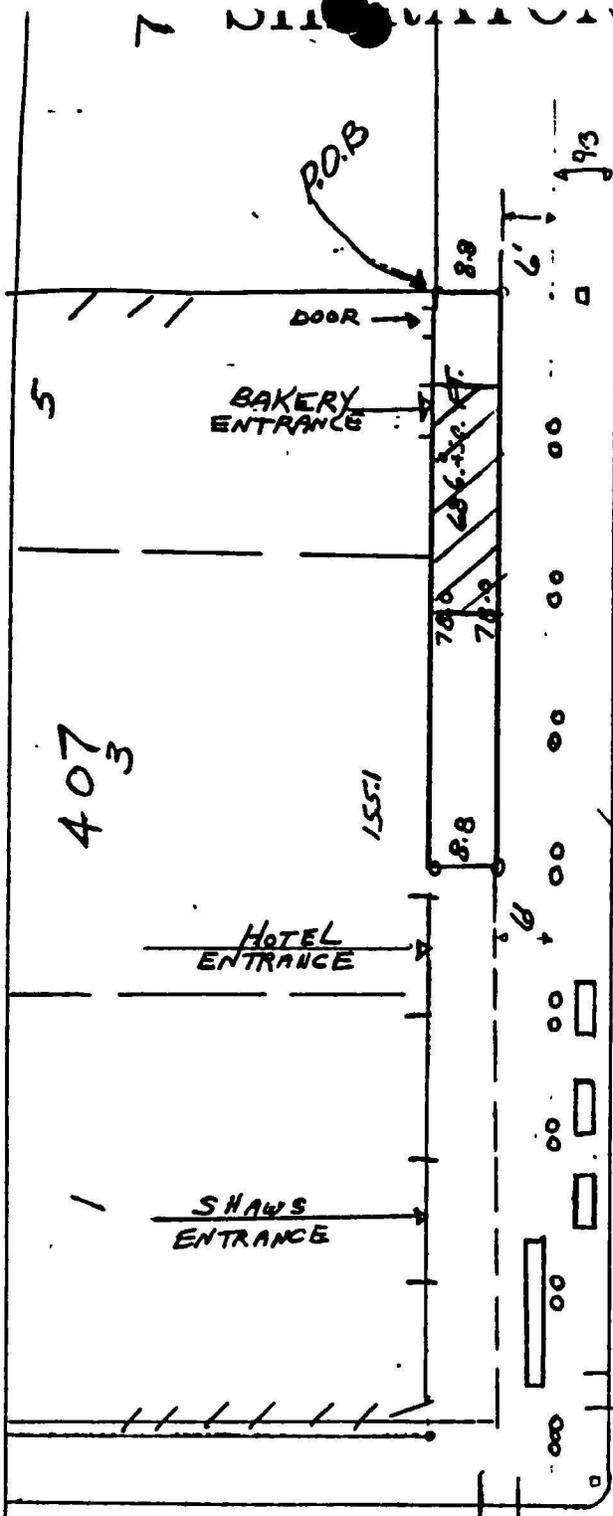
Field Book _____ Page _____ Job No. _____

Reference



SCALE 1/2" = 20'





E HOUSTON ST.

A DRAWING SHOWING A LEASE AREA
 OF 686.4 SQ. FT. EAST OF LOT 3
 AND 5 IN N.C.B. 407
 SAN ANTONIO, TEXAS, BEXAR COUNTY

PROPOSED LEASE SITE
 75 x 8.8 = 660 SQ. FT.

ST. MARYS ST.

STATE OF TEXAS
 COUNTY OF BEXAR

I HEREBY CERTIFY THAT THE ABOVE PLAT IS TRUE AND CORRECT
 ACCORDING TO AN ACTUAL SURVEY MADE ON THE GROUND UNDER
 MY SUPERVISION AND THAT THERE ARE NO VISIBLE EASEMENTS OR
 ENCROACHMENTS OF BUILDINGS ON ADJOINING PROPERTY AND THAT
 ALL BUILDINGS ARE WHOLLY LOCATED ON THIS PROPERTY EXCEPT AS
 SHOWN ABOVE.

This _____ day of _____, 19____ A. D



SCALE 1 1/2" = 20'

Reference

EXHIBIT B

Book _____ Page _____

Job No _____

S. P. NO. 907 (Gunter Hotel Encroachments)
 License Fee: \$108,600 (· 5 years = \$21,720 Base Annual Fee)
 X .08% Cap Rate of Unpaid Balance

Year	Base Annual Fee	Unpaid Principal	X 0.08 Cap Rate	Payment Due
1	\$21,720	\$-----	\$-----	\$21,720
2	\$21,720	\$86,880	\$6,950.40	\$28,670.40
3	\$21,720	\$65,160	\$5,212.80	\$26,932.80
4	\$21,720	\$43,440	\$3,475.20	\$25,195.20
5	\$21,720	\$21,720	\$1,737.60	\$23,457.60

BREAKDOWN

	\$108,600	(Base License Fee)
	\$ 17,376	(8% Cap of Unpaid Balance)
TOTAL	\$125,976	(Over a 5-year period)





CITY OF SAN ANTONIO

P O BOX 839966
SAN ANTONIO, TEXAS 78283-3966

June 7, 1995

Mr. Josef Seiterle & Mr. Conrad True
Sheraton Gunter Hotel
205 E. Houston Street
San Antonio, Texas 78205

RECEIVED
CITY OF SAN ANTONIO
CITY CLERK
95 JUN 22 PM 2:30

Reference: Contract No.: 26-8837 - Contract Compliance

Dear Mr. Seiterle and Mr. True:

Review of insurance coverage required under terms of your contract indicates:

- No record of your having reported current certificate insurance coverage.
- Certificate of Insurance Expired on 03/31/95
- Surety Bond _____
- Surety Bond will expire on _____
- Other _____

If you have current coverage in effect please send the undersigned a copy of the Certificate or have your insurance agent send it to us. We will insure that a copy is filed with the City Clerk as prescribed by the contract.

Thank you for your cooperation.

Sincerely,

KENNETH SAMPSON, Contract Specialist
Parks and Recreation Department

KS:be

cc: City Clerk
Internal Review

ACORD. CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

2/23/94

PRODUCER

Rollins Hudig Hall of MA, Inc
99 High Street
Boston, MA 02110-3271

617-482-3100

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY LETTER	A	Zurich Insurance Company (Usb)
COMPANY LETTER	B	Royal Indemnity
COMPANY LETTER	C	
COMPANY LETTER	D	
COMPANY LETTER	E	SAPAR DIRECTOR'S OFFICE

RECEIVED

MAR 01 1994

INSURED

Gunter Hotel Assoc
DBA Sheraton Gunter Hotel
205 East Houston Street
San Antonio
TX 78205

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT	GLO6347534-05	12/31/93	3/31/95	GENERAL AGGREGATE	\$ NIL
					PRODUCTS-COMP/OP AGG	\$ 1,000,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					EACH OCCURRENCE	\$ 1,000,000
					FIRE DAMAGE (Any one fire)	\$ 1,000,000
					MED EXPENSE (Any one person)	\$ 5,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> GARAGE LIABILITY	TAP6347537-05	12/31/93	3/31/95	COMBINED SINGLE LIMIT	\$ 1,000,000
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE	\$
					EXCESS LIABILITY	
B	<input checked="" type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	RHN007376	12/31/93	3/31/95	EACH OCCURRENCE	\$ 10,000,000
					AGGREGATE	\$ 10,000,000
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY				STATUTORY LIMITS	
		EACH ACCIDENT	\$			
		DISEASE-POLICY LIMIT	\$			
		DISEASE-EACH EMPLOYEE	\$			
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

Reference : Contract #26-8837

CERTIFICATE HOLDER

City of San Antonio
P O Box 839966
San Antonio, TX 78283-3966
Attn: Kenneth Sampson

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Betsy A Werna

146310000



ROLLINS HUDIG HALL

Rollins Hudig Hall of Massachusetts, Inc.
99 High Street, Boston, Massachusetts 02110-3271
Telephone 617/482-3100 Facsimile 617/542-2597

RECEIVED

MAR 0 1 1994

SAPAR
DIRECTOR'S OFFICE

February 23, 1994

City of San Antonio
Attn: Kenneth Sampson
P.O. Box 839966
San Antonio, TX 78283-3966

RE: Gunter Hotel Associates, et al
DBA Sheraton Gunter Hotel

Enclosed is our renewal certificate of insurance evidencing liability coverages for the captioned.

Please feel free to contact me if you have any questions.

Very truly yours,

A handwritten signature in cursive script that reads "Betsy A. Werra".

Betsy A. Werra, ARM
Account Manager

BAW/em

cc: James Hillner, Sheraton Gunter Hotel

ATTACHMENT III

TO ORDINANCE NO. _____

PASSED AND APPROVED ON MAY 23, 1996

MEMORANDUM OF

LICENSE AGREEMENT

96- 0080680

**MEMORANDUM OF
LICENSE AGREEMENT**

STATE OF TEXAS }
 }
COUNTY OF BEXAR }

This is a memorandum of record of a License Agreement ("Agreement") between the CITY OF SAN ANTONIO, P O Box 839966, San Antonio, Texas 78283-3966, called **LICENSOR** or "CITY" in said Agreement, and Gunter Limited Partnership, an Illinois Limited Partnership, as **LICENSEE**, c/o LaSalle Partners Limited, 220 East 42nd Street, New York, New York 10017 Attention Joseph D Long, regarding the following described public right-of-way constituting the Licensed Premises ("Premises") over, under, or on which **LICENSEE**, as owner of the adjacent and abutting Sheraton Gunter Hotel, at 205 East Houston Street, being Lots 1, 2, 3, 4, part of 5 and 6, New City Block 407, San Antonio, Bexar County, Texas, has existing improvements, said Premises described as follows

- (1) existing basement and balcony encroachments in the subsurface under and air space above the public sidewalks of North St Mary's and East Houston streets
- (2) existing smokestack and related basement encroachments over and under a 14-foot wide alley adjacent to the east side of the Sheraton Gunter Hotel, and
- (3) an existing use of 207 square feet of East Houston Street public right-of-way for an open air sidewalk cafe, and
- (4) a 4-foot overhead encroachment by an existing parking structure above the public sidewalks of Travis and North St Mary's streets

LICENSEE's entry into and use of **CITY's** property above shall be limited to these purposes

Such areas being legally described in Exhibit "A" and shown on Exhibit "B" attached hereto, but shown in more detail in said License Agreement

VOL 6770 PG 1241

The term of this License shall be five (5) year commencing May 30, 1996, or the date of closing of the purchase by LICENSEE of the Sheraton Gunter Hotel, if later

AGREED and EXECUTED this 29 day of May, 1996

LICENSOR:

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

LICENSEE:

**GUNTER LIMITED PARTNERSHIP,
an Illinois limited partnership**

**By: LaSalle Gunter Limited Partnership,
an Illinois limited partnership, general
partner**

**By: LaSalle Gunter GP, Inc.,
an Illinois corporation, general
partner**

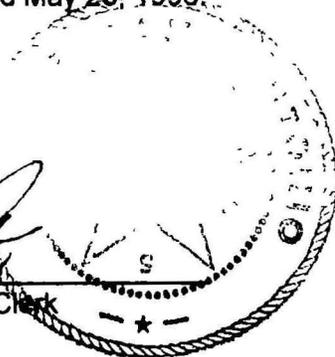
By *La M. Bury*
Asst. to City Manager

By *[Signature]*
Name Joseph Lora
Title VP

Pursuant to City Ordinance No 84153
passed and approved May 23, 1996

ATTEST

[Signature]
City Clerk



APPROVED AS TO FORM

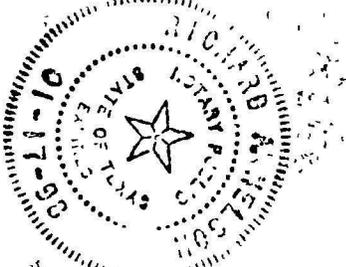
Warner F. Fausch
for City Attorney

VOL 6770 PG 1242

ACKNOWLEDGMENTS

STATE OF TEXAS }
COUNTY OF BEXAR }

This instrument was acknowledged before me on this 29th day of May 1996, by Travis M. Bishop, Assistant to the City Manager on behalf of the City of San Antonio, a Texas Municipal Corporation.

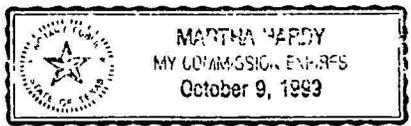


Richard A. Nelson
Notary Public for the State of Texas

My Commission Expires 1/19/98

STATE OF TEXAS }
COUNTY OF BEXAR }

This instrument was acknowledged before me on this 29th day of May, 1996 by Joseph D Long, Vice President of LaSalle Gunter GP, Inc., an Illinois corporation, general partner of LaSalle Gunter Limited Partnership, an Illinois limited partnership, general partner of Gunter Limited Partnership, an Illinois limited partnership, on behalf of said limited partnership



Martha Hardy
Notary Public for the State of Texas

My Commission Expires Oct 9, 1999

After Recording, Return to:

City of San Antonio
P O Box 839966
3rd Floor, City Hall
San Antonio, Texas 78283-3966
ATTN Warner F Fassnidge
Assistant City Attorney

VOL 6770 PG 1243

(1) Existing basement, balcony and smokestack encroachments in two tracts:

PART I

BEING 0.103 acres of land out of the street rights-of-way of East Houston Street and North St. Mary's Street adjacent to Lots 1, 2, 3 and 5, New City Block 407, within the City Limits of San Antonio, Bexar County, Texas, and being more particularly described as follows:

ORIGINATING: At an X found in the concrete walk at the point of intersection of the east right-of-way line of N. St. Mary's St. and the south right-of-way line of Travis Street, said corner being the northwest corner of Lot 2, New City Block 407;

S 00° 07' 13" W, 125.35 feet along the east right-of-way line of N. St. Mary's Street to an X inscribed in the concrete walk for the POINT OF BEGINNING of the hereinafter described tract;

THENCE: S 00° 07' 13" W, 205.09 feet along the east right-of-way line of N. St. Mary's Street and the western boundary of Lots 1 and 2, New City Block 407, to an X found in the concrete sidewalk at the corner of the intersection of the north right-of-way line of Houston Street and the east right-of-way line of N. St. Mary's Street for an interior corner of this tract;

THENCE: N 89° 58' 00" E, 155.32 feet along the north right-of-way line of Houston Street and the southern boundary of Lots 1, 3 and 5, New City Block 407, to a point in the north right-of-way line of Houston Street from whence an X was found in the concrete sidewalk bearing S 00° 07' 13" W a distance of 3.00 feet, said corner being the easternmost northeast corner of this tract;

THENCE: S 00° 02' 00" W, 17.30 feet to a point on the face of the curb of the north curb line of East Houston Street for the southeast corner of this tract;

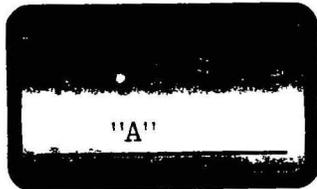
THENCE: N 89° 55' 22" W, 150.28 feet along the north curb line of East Houston Street to a point of curvature of the curb line to the right;

THENCE: 20.81 feet along the arc of a curve to the right whose radius is 13.25 feet, delta angle is 89° 58' 25", tangent is 13.29 feet, and a chord of 18.73 feet which bears N 44° 56' 09" W to a point on the east curb line of N. St. Mary's Street for the southwest corner of this tract;

THENCE: N 00° 03' 03" E, 208.86 feet along the east curb line of N. St. Mary's Street to a point for the northwest corner of this tract;

THENCE: S 89° 52' 47" E, 8.45 feet to a point on the east right-of-way line of N. St. Mary's Street, said point being the POINT OF BEGINNING and containing 0.103 acres of land,

VOL 6770 PG 1244



PART II

BEING 0.002 acres of land out of the variable width public alley running through New City Block 407 adjacent to the remaining portions of Lots 5 and 6, New City Block 407, within the City Limits of San Antonio, Bexar County, Texas, and being more particularly described as follows:

ORIGINATING: At an X found in the concrete walk at the point of intersection of the east right-of-way line of N. St. Mary's Street and the south right-of-way line of Travis Street, said point being the northwest corner of Lot 2, New City Block 407;

S 89° 48' 40" E, 155.32 feet along the south right-of-way line of Travis Street and the north boundary line of Lots 2, 4 and 6, New City Block 407 to an X found in the concrete at the point of intersection of the south right-of-way line of Travis Street and the west right-of-way line of a public alley;

S 00° 07' 13" W, 129.70 feet along the west right-of-way line of a public alley and the east boundary line of the Gunter Hotel property, following the east edge of the exterior wall of the Gunter Hotel;

S 89° 52' 47" E, 3.80 feet along the west right-of-way line of the public alley and the east edge of the Gunter Hotel;

S 00° 07' 13" W, 29.00 feet along the west right-of-way line of the public alley and the east edge of the Gunter Hotel to the POINT OF BEGINNING of the hereinafter described tract;

THENCE: S 89° 52' 47" E, 3.20 feet to a point in the variable width public alley for the northeast corner of this tract;

THENCE: S 00° 07' 13" W, 14.30 feet to a point in the variable width public alley for the southeast corner of this tract;

THENCE: N 89° 52' 47" W, 7.00 feet to a point on the west right-of-way line of the public alley and the east edge of the Gunter Hotel for the southwest corner of this tract;

THENCE: N 00° 07' 13" E, 14.30 feet along the west right-of-way line of the public alley and the east edge of the Gunter Hotel for the northwest corner of this tract;

THENCE: S 89° 52' 47" E, 3.80 feet along the west right-of-way line of the public alley to the POINT OF BEGINNING and containing 0.002 acres of land, more or less,

VOL 6770 PG 1245

(2) 4-foot Parking Structure encroachment

S00°07'13" W COL

COL 129.56'

125.02'

CURB WITH BROUGHT IRON FENCE

TWO LEVEL PARKING AREA

COL

CONCRETE RAMP

BUILDING OVERHANG

6" DIA COLUMN

CONCRETE CURB

2 METAL GRATE AIR VENTS

0.446 ACRE

(VOLUME 3303, PAGE 952 R.P.R.)

STAIRWELL

VALET PARKING BOOTH

155.32'

S89°52'47" E

TWO LEVEL PARKING AREA

2nd LEVEL OVERHANG

TWO LEVEL PARKING AREA

CURB WITH BROUGHT IRON FENCE

METAL GRATE AIR VENT

INLET METAL GRATE

LS & BS

COL

GATE

CURB WITH BROUGHT IRON FENCE

N00°07'13" E

CONCRETE WALK

125.45'

2nd LEVEL OVERHANG

METAL DRAIN

DEPRESSED CURB

INLET

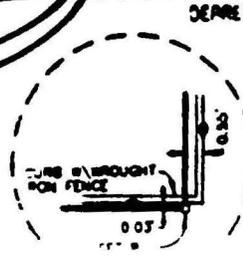
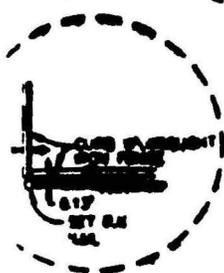
CONCRETE CURB

DEPRESSED CURB

CONCRETE CURB

DEPRESSED CURB

POINT OF BEGINNING



APPROXIMATE LOCATION IN THIS CORNER ONLY

INSIDE FACE OF

193'

EAST TRAMS ST.
(R.O.W. 55.6')

155.32'
S89°43'18" E

61 947 198 01 9 70A, VOL 6770 PG 124

(3) Sidewalk Cafe encroachment.

One area containing a total of 207.00 square feet;
located at 205 East Houston Street, south of Lots 5 and
3 (A-1), NCB 407, San Antonio, Bexar County, Texas

From the southeast corner of Lot 5, NCB 407;

THENCE 23.71 feet west of said corner and being the
north right-of-way of Houston Street to point
of beginning of lease area;

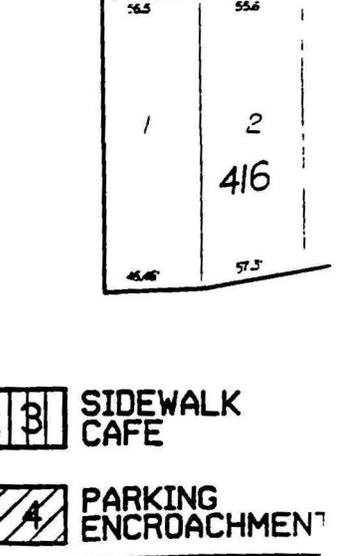
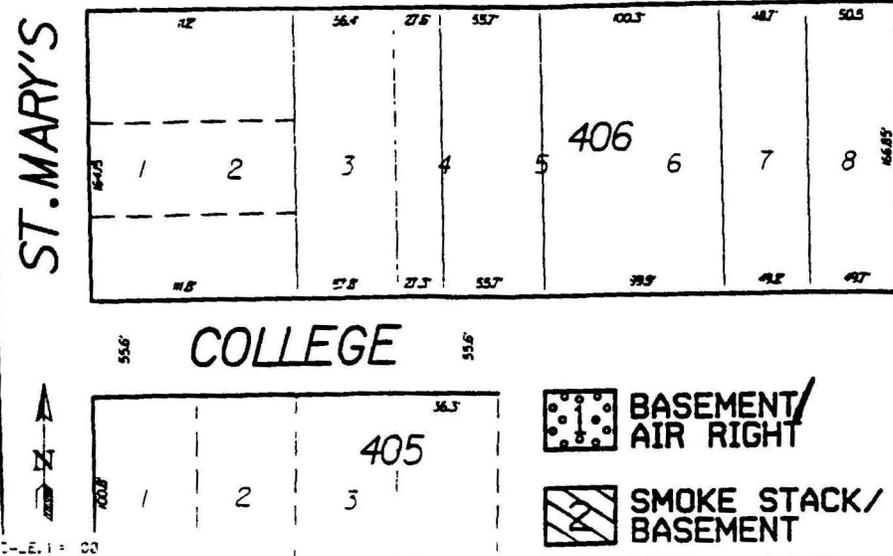
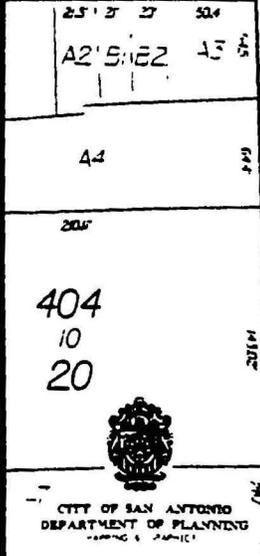
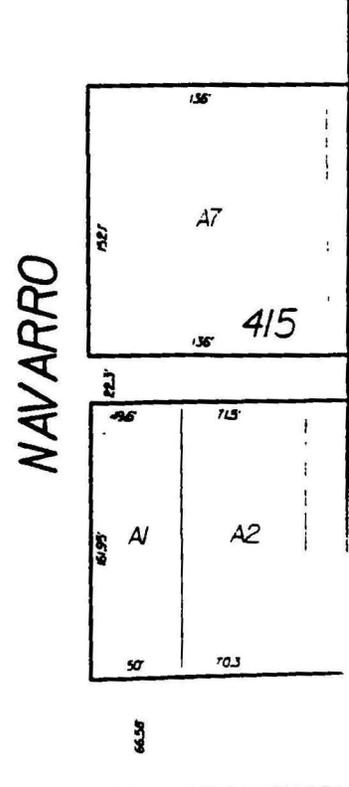
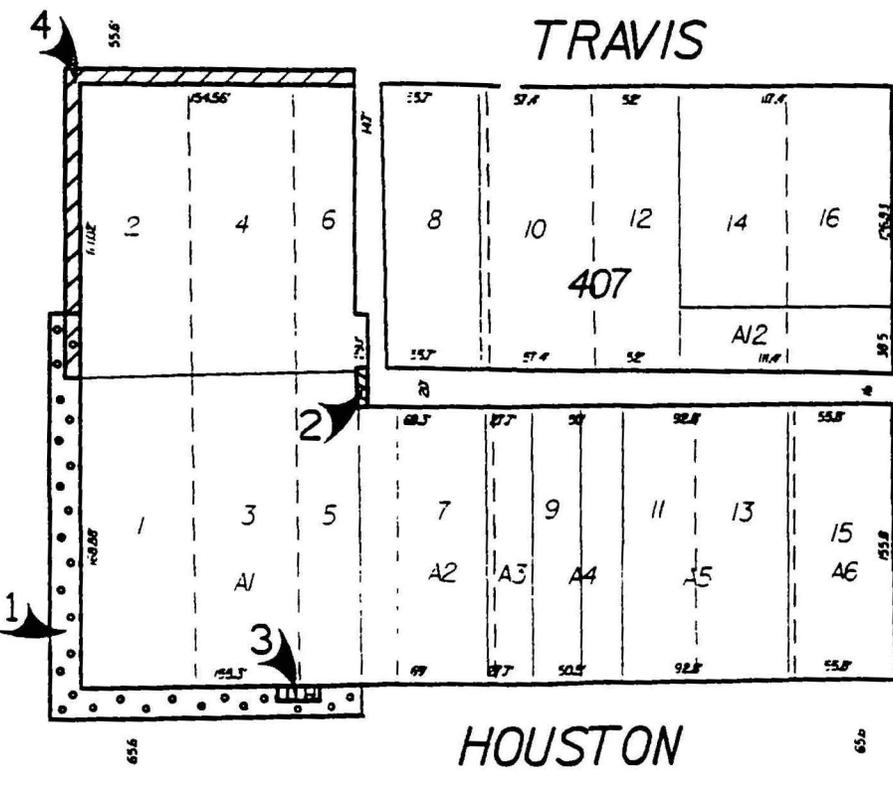
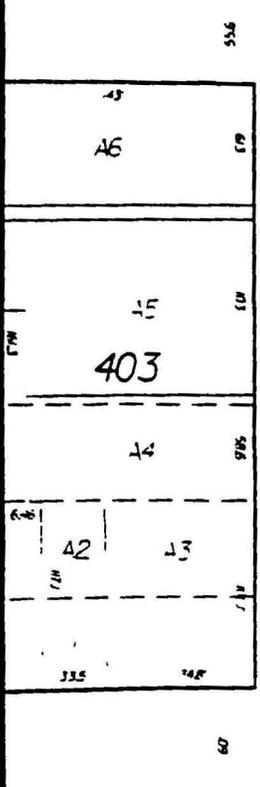
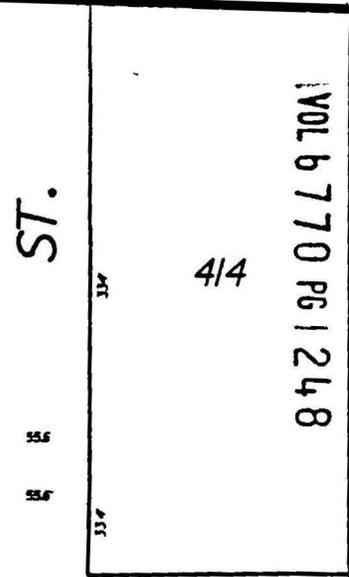
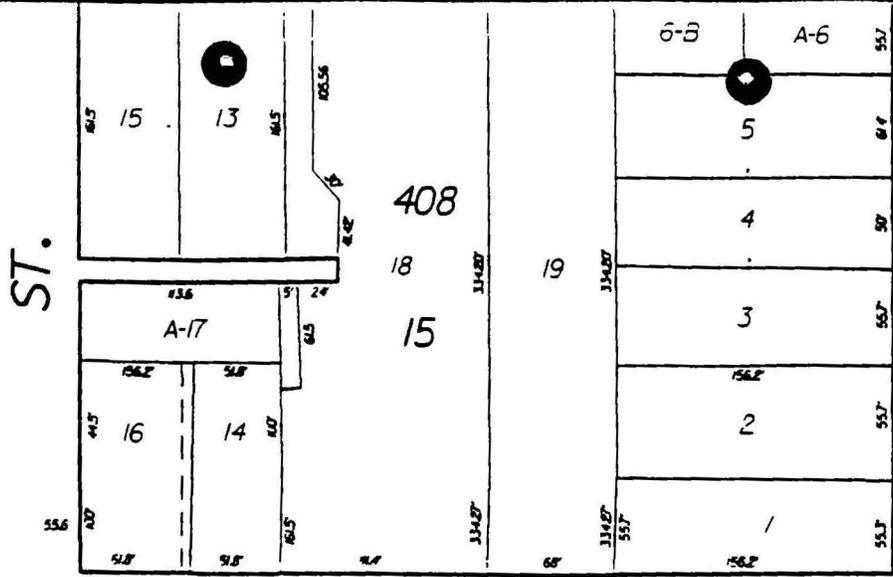
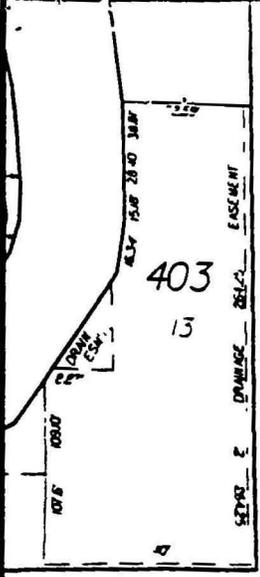
THENCE 23.00 feet west on Houston Street north right-
of-way;

9.00 south;

23.00 east;

9.00 north to point of beginning and
containing ± 207.00 square feet

VOL 6770 PG 1247



-  BASEMENT/AIR RIGHT
-  SMOKE STACK/BASEMENT
-  SIDEWALK CAFE
-  PARKING ENCROACHMENT

EXHIBIT "B"

thirty (30) days prior written notice to the other, terminate this License Agreement. In the event of a taking or condemnation, LICENSEE shall have the right to pursue in the condemnation proceedings all claims arising from the taking or condemnation as it affects LICENSEE'S rights hereunder, including but not limited to, damage to any improvements made to the Premises by LICENSEE, damage to and interruption of LICENSEE'S business, damage to LICENSEE'S improvements, and expenses for LICENSEE'S relocation and replacement of access across the Licensed Premises.

15.6 **Separability.** The parties hereto agree that if any clause or provision of this License Agreement is determined to be illegal, invalid or unenforceable, under any present or future federal, state, or local law, including, but not limited to, the CITY Charter, CITY Code, or CITY ordinances of the City of San Antonio, Texas, effective during the term of this License Agreement, then and in that event, it is the intention of the parties hereto that the remainder of this License Agreement shall not be affected thereby, and it also the intention of the parties to this License Agreement that in lieu of each clause or provision of this License Agreement that is illegal, invalid or unenforceable, there be added as a part of this License Agreement a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid and enforceable

15.7 **Taxes and Licenses.** LICENSEE shall pay, on or before their respective due dates, to the appropriate collecting authority, all real property, personal property, and other special taxes and assessments specifically including, but not limited to, ad valorem property taxes, Hotel Occupancy Taxes, and Downtown Improvement District assessments, assessed against the improvements, to the LICENSEE'S Premises, operations on the Premises, and LICENSEE'S activities hereunder, and any of LICENSEE's property used in connection with the said improvements and Premises, subject, however, to the right of LICENSEE to contest the amount, applicability or validity of all or any part of said taxes and assessments and provided that LICENSEE shall have no obligation to pay real property taxes or other special taxes or assessments arising from the CITY'S interest in the Licensed Premises

15.8 **Approval of the City.** Whenever this License Agreement calls for approval by CITY, unless otherwise explained herein, such approval shall be evidenced by the written approval of the Director of Asset Management of the City of San Antonio or his designee.

XVI.
ENTIRE AGREEMENT

16.1 This License Agreement, together with its exhibits and the authorizing ordinance or ordinances, in writing, constitute the entire License Agreement, with any other written or parol agreement with LICENSEE being expressly waived by LICENSEE. It is understood that the Charter of the CITY requires that all contracts with the CITY be in writing and adopted by ordinance.

VOL 6 770 Pg 249

ALAMODGME
ARTS & CULTURAL AFFAIRS
ASSET MANAGEMENT
AVIATION
BUDGET & MANAGEMENT ANALYSIS
BUILDING INSPECTIONS
BUILDING INSPECTIONS-HOUSE NUMBERING
CITY ATTORNEY
MUNICIPAL COURT
REAL ESTATE (FASSNIDGE)
REAL ESTATE (WOOD)
CITY MANAGER
CITY PUBLIC SERVICE-GENERAL MANAGER
CITY PUBLIC SERVICE-MAPS & RECORDS
CODE COMPLIANCE
COMMUNITY INITIATIVES
CONVENTION & VISITORS BUREAU
CONVENTION CENTER EXPANSION OFFICE
CONVENTION FACILITIES
ECONOMIC DEVELOPMENT
FINANCE DIRECTOR
FINANCE-ASSESSOR
FINANCE-CONTROLLER
FINANCE-GRANTS
FINANCE-RISK MANAGEMENT
FINANCE-TREASURY
FIRE DEPARTMENT
HOUSING & COMMUNITY DEVELOPMENT
HUMAN RESOURCES (PERSONNEL)
INFORMATION SERVICES
INTERGOVERNMENTAL RELATIONS
INTERNAL REVIEW
INTERNATIONAL AFFAIRS
LIBRARY
MARKET SQUARE
METROPOLITAN HEALTH DISTRICT
MUNICIPAL COURTS
OFFICE OF COMMUNITY RELATIONS
OFFICE OF DEFENSE TRANSITION
PARKS & RECREATION
PLANNING DEPARTMENT
DISABILITY ACCESS OFFICE
LAND DEVELOPMENT SERVICES
POLICE DEPARTMENT
POLICE DEPARTMENT-GROUND TRANSPORTATION
PUBLIC WORKS DIRECTOR
CAPITAL PROJECTS
CENTRAL MAPPING
ENGINEERING
PARKING DIVISION
REAL ESTATE DIVISION
SOLID WASTE
TRAFFIC ENGINEERING
PURCHASING & GENERAL SERVICES
SAN ANTONIO WATER SYSTEM (SAWS)
YOUTH INITIATIVES

GUNTER HOTEL

ITEM NO. 38
 DATE: MAY 23 1996

MEETING OF THE CITY COUNCIL

MOTION BY: *[Signature]* SECONDED BY: *[Signature]*

ORD. NO. 84153 ZONING CASE _____

RESOL. _____ PETITION _____

	ROLLCALL	AYE	NAY
ROGER FLORES DISTRICT 1		✓	
RUTH MC-CLENDON DISTRICT 2		✓	
LYNDA BILLA BURKE DISTRICT 3		<i>[Signature]</i>	
HENRY AVILA DISTRICT 4		✓	
JUAN F. SOLIS III DISTRICT 5		✓	
ROBERT HERRERA DISTRICT 6		<i>[Signature]</i>	
BOB ROSS DISTRICT 7		✓	
ROBERT MARBUT DISTRICT 8		✓	
HOWARD PEAK DISTRICT 9		✓	
JEFF WEBSTER DISTRICT 10		✓	
BILL THORNTON MAYOR		✓	

*TERMINATES ORD. NO. 56310 OF 12-22-82;
 60430 OF 3-21-85; AND
 78800 OF 7-30-93!*

96-21

FILE "GUNTER HOTEL"