

AN ORDINANCE

2014 - 10 - 02 - 0736

AUTHORIZING THE EXECUTION OF A 15-MONTH EXTENSION OF A LEASE AGREEMENT WITH STRATEGIC MARKET SERVICES, INC. FOR APPROXIMATELY 11,178 SQUARE FEET AT 4355 CENTER GATE, COUNCIL DISTRICT 10, BEGINNING ON OCTOBER 2, 2014 AND ENDING ON DECEMBER 31, 2015, FOR THE CONTINUED USE AS A SENIOR MULTI-SERVICE CENTER, FOR A MONTHLY RENTAL PAYMENT OF \$12,455.00; AND WAIVING THE CITY'S ETHICS CODE ONE-YEAR PROHIBITION OF A FORMER CITY OFFICER'S FINANCIAL INTEREST IN A DISCRETIONARY CONTRACT IN THIS LIMITED CIRCUMSTANCE TO PROVIDE UNINTERRUPTED SERVICES TO THE SENIORS.

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WHEREAS, in 2003, the City/County Joint Commission on Elderly Affairs, an advisory board comprised of seniors 60+, recommended the creation of centers where seniors could congregate to share meals, participate in activities and access needed services; and

WHEREAS, the City of San Antonio (City) established Senior Centers throughout the various areas of the city to provide seniors with services, including the Northeast Senior Multi-Service Center located at 4355 Center Gate in Council District 10 (D10 Senior Center); and

WHEREAS, the D10 Senior Center property is leased from Strategic Market Services, Inc., an entity majority-owned and operated by former City Council Member Carlton Soules; and

WHEREAS, the original five-year lease for the property was approved by City Council in 2009, prior to former Council Member Soules' service on City Council; and

WHEREAS, the five-year lease term extended beyond the conclusion of former Council Member Soules' service on City Council which ended on January 31, 2014; and

WHEREAS, the City's Ethics Code prohibits a former City Officer from having a financial interest in a discretionary contract with the City for one-year from the termination of his official duties; and

WHEREAS, the City has determined that providing the services based at the D10 Senior Center on a continuous basis until such time as construction of a new Senior Center has been completed is a compelling public purpose; and

WHEREAS, applying the one-year prohibition in this specific instance would cause the disruption of services to the seniors that utilize the D10 Senior Center, and would further cause the loss of services for a 3-month period in the summer of 2015; and

WHEREAS, the seniors that utilize the D10 Senior Center have communicated to City staff that they want the D10 Senior Center to remain in operation at its current location until such time as a new Senior Center is ready for permanent use; and

WHEREAS, the City seeks the renewal of the lease for the D10 Senior Center property and waiver of the one-year prohibition on an interest in discretionary contracts in this limited circumstance; **NOW THEREFORE:**

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

SECTION 1. The City Manager or her designee, or the Director of Human Services (DHS) or her designee, is authorized to execute a 15-month extension of a lease agreement with Strategic Market Services, Inc. for the continued use of 4355 Center Gate as a Senior and Multi-Service Center in Council District 10. A copy of the extension of lease agreement, in substantially final form, is attached hereto and incorporated herein for all purposes as **Attachment I**. The City Manager, or her designee, or the Director of DHS, or her designee, is further authorized to negotiate and execute any and all necessary documents to effectuate and complete said agreements.

SECTION 2. The City's Ethics Code prohibition of a former City Officer's financial interest in a discretionary contract is waived in this limited circumstance due to the compelling public purpose in ensuring the uninterrupted provision of services to seniors utilizing the North East San Antonio Senior and Multi-Service Center.

SECTION 3. Funding in the amount of \$149,460.00 for this ordinance is available in Fund 11001000, Cost Center 3811140001, General Ledger 5206010, as part of the Fiscal Year 2015 Budget.

SECTION 4. Future funding through the term of this lease agreement is contingent upon City Council approval of Fiscal Year 2016's Budget.

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

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

SECTION 7. This ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

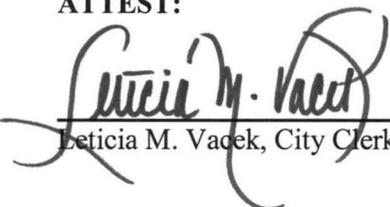
PASSED AND APPROVED this 2nd day of October, 2014.



M A Y O R

Ivy R. Taylor

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Robert F. Greenblum, City Attorney

Agenda Item:	12 (in consent vote: 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33)
Date:	10/02/2014
Time:	09:16:19 AM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing the execution of a 15-month extension of a lease agreement with Strategic Market Services, Inc. for approximately 11,178 square feet at 4355 Center Gate, Council District 10, beginning on October 2, 2014 and ending on December 31, 2015, for the continued use as a Senior Multi-Service Center, for a monthly rental payment of \$12,455.00; and waiving the City's Ethics Code one-year prohibition of a former city officer's financial interest in a discretionary contract in this limited circumstance to provide uninterrupted services to the seniors. [Gloria Hurtado, Assistant City Manager; Melody Woosley, Director, Human Services]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Diego Bernal	District 1		x				
Keith Toney	District 2	x					
Rebecca Viagran	District 3		x				x
Rey Saldaña	District 4		x			x	
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Mari Aguirre-Rodriguez	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9	x					
Michael Gallagher	District 10		x				

**Extension of Lease
(Strategic Market Services, Inc./4355 Center Gate)**

The City of San Antonio, a Texas municipal corporation (Tenant), acting through its City Manager or her designee, as authorized by Ordinance No. 2014-10-02-____, and Strategic Market Services, Inc. a Texas corporation (Landlord), agree that the current lease for property at 4355 Center Gate, utilized as the Northeast Senior Multi-Service Center should be extended for a period of 15 months consistent with sections 1 through 4, as modified below. All other provisions of the current lease (the "Lease") shall continue to be effective unless they are inconsistent with the terms set out below, in which case the terms within this Extension of Lease shall control:

1. Basic Information, Definitions.

Authorizing Ordinance: 2014-10-02-____

Landlord: Strategic Market Services, Inc.

Landlord's Address: P.O. Box 34750, San Antonio, Texas 78265-4750

Tenant: City of San Antonio

Tenant's Address: P.O. Box 829966, San Antonio, Texas 78283-3966
(Attention: Director, Department of Human Services)

Premises: Approximately 11,178 rentable square feet located in the property commonly known as 4355 Center Gate, as graphically depicted on **Exhibit A**, which is incorporated by reference for all purposes. 4355 Center Gate is more particularly described as Lot 16, Block 3, New City Block 16619, Sungate Center Soules Subdivision, San Antonio, Bexar County, Texas.

Permitted Use: Senior center and general office use

No. of Parking Spaces: 60

Commencement Date: October 2, 2014.

Renewal Term: 15 months

Address for Payment of Rent: P.O. Box 34750, San Antonio, Texas 78265-4750

2. Grant.

Landlord leases the Premises to Tenant, and Tenant takes the Premises from Landlord on the terms and conditions of the Lease and this Extension of Lease. As a part of the Lease, Landlord must reserve for Tenant the number of parking spaces indicated above.

3. Rent.

3.01 Base Rent for the Renewal Term as established by this Extension of Lease shall be paid at the rate of \$12,455.00 per month.

3.02 Additional rent as set out in Section 3.02 of the Lease has been paid in full and will not be paid during the Renewal Term established by this Extension of Lease.

All other terms and conditions of Section 3 of the Lease shall remain in full force and effect.

4. Term, Renewal.

4.01. The Initial Term of the Lease began on April 2, 2009 and expired on October 1, 2014. This extension of the term shall begin on October 2, 2014 and expire on December 31, 2015, unless sooner terminated as provided in the Lease or this Extension of Lease.

4.02. Tenant may terminate this Extension of Lease upon 30 days written notice to Landlord.

4.03 The Parties agree that the Holdover provisions within Section 15 of the Lease shall apply to this extension of the Lease term.

TENANT

LANDLORD

City of San Antonio,
a Texas municipal corporation

Strategic Market Services. Inc.,
a Texas corporation

Signature: _____

By: _____
Carlton Soules, President

Printed
Name: _____

Date: _____

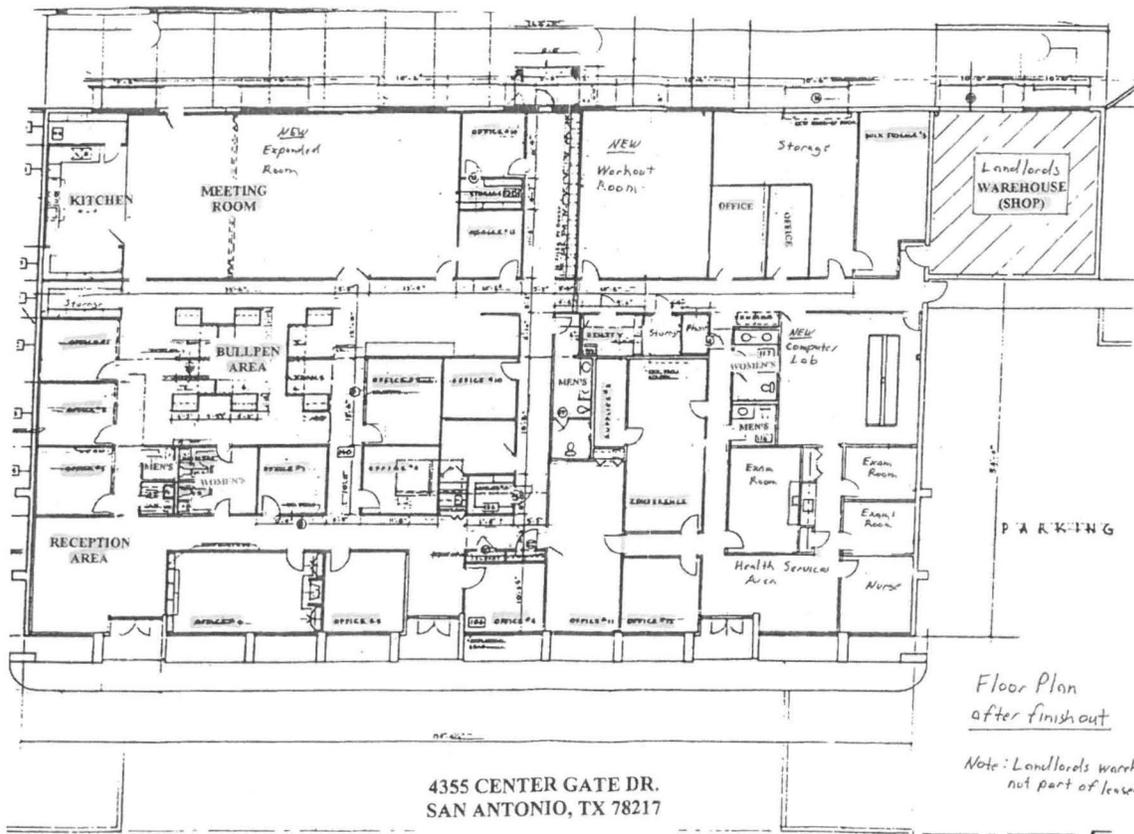
Title: _____

Date: _____

Approved as to Form:

City Attorney

EXHIBIT A



4355 CENTER GATE DR.
SAN ANTONIO, TX 78217

Floor Plan
after finishout
Note: Landlord's warehouse/shop
not part of leased space