SW/vv
05/21/15
Item #16

AN ORDINANCE 2015-05-21-0434

APPROVING A FIRST AMENDMENT TO THE MASTER ANTENNA AGREEMENT WITH TOWER FM CONSORTIUM, LLC TO CONTINUE MANAGEMENT OF THE MASTER ANTENNA ON TOP OF THE TOWER OF THE AMERICAS AND APPROVING SECOND AMENDMENTS TO THE BROADCASTER LEASES WITH IHEART MEDIA + ENTERTAINMENT, INC. AND ALPHA MEDIA FOR CONTINUED USE OF THE TOWER OF THE AMERICAS AS A TRANSMISSION SITE FOR KZEP, KQXT, AND KJXK.

* * * * *

WHEREAS, Ordinance 2006-08-31-0976 passed on August 31, 2006 authorized an agreement with the Consortium for installation and management of a master antenna on top of the Tower of the Americas; and

WHEREAS, the master antenna was installed to reduce the number of broadcaster antennas physically located on the Tower of the Americas' mast while improving signal strength and reducing radiation levels; and

WHEREAS, the agreement, which expires on June 30, 2015, provides for two five-year renewal periods subject to City Council approval; and

WHEREAS, the members of the Consortium are iHeart Media and Alpha Media; and

WHEREAS, Ordinance 2006-08-31-0974 passed on August 31, 2006 authorized first amendments to the Broadcaster Leases with iHeart Media and Alpha Media; and

WHEREAS, the amendments authorized the first of three renewal terms and updated certain agreement provisions resulting from Willie G's Post Oak, Inc. d/b/a Landry's becoming the operator of the Tower of the Americas; and

WHEREAS, iHeart Media's agreements are for transmission of KZEP and KQXT and Alpha Media's agreement is for transmission of KJXK; and

WHEREAS, this ordinance authorizes a first amendment to the Master Antenna Agreement for the Consortium's continued management of the master antenna through June 30, 2020; and

WHEREAS, the amendment does not include rental consideration since the City collects revenue from the broadcasters through their individual Broadcaster Leases; and

WHEREAS, this ordinance also authorizes second amendments to the Broadcaster Leases with iHeart Media and Alpha Media for continued use of the Tower of the Americas as a transmission site for KZEP, KQXT, and KJXK through June 30, 2020; and

SW/vv
05/21/15
Item #16

WHEREAS, lease rates for the renewal period were established per a market study completed by RCC Consultants in February 2015; and

WHEREAS, the monthly lease rate for each lease's first year is $7,176.00; and

WHEREAS, this rate will increase 2.5% annually thereafter; **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 the Center City Development and Operations Department or her designee, is authorized to execute a first amendment to the Master Antenna Agreement with Tower FM Consortium, LLC to continue management of the master antenna on top of the Tower of the Americas and execute second amendments to the Broadcaster Leases with iHeart Media + Entertainment, Inc. and Alpha Media for continued use of the Tower of the Americas as a transmission site for KZEP, KQXT, and KJXK. A copy of the amendments, in substantially final form, are attached hereto and incorporated herein for all purposes as **Attachment I, II, III** and **IV.**

SECTION 2. Funds generated by this ordinance will be deposited into Fund 11001000, Internal Order 219000000008 and General Ledger 4407712.

SECTION 3. 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 4. This ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 21st day of May, 2015.

Ivy R. Taylor

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Hollis Young

for Martha G. Sepeda, Acting City Attorney

Agenda Item:	**16 (in consent vote: 5, 6, 7, 8, 9, 13, 15, 16, 17, 18, 19, 21, 22, 23, 24, 25, 26)**
Date:	05/21/2015
Time:	09:57:15 AM
Vote Type:	Motion to Approve
Description:	An Ordinance approving a first amendment to the Master Antenna Agreement with Tower FM Consortium, LLC to continue management of the master antenna on top of the Tower of the Americas and approving second amendments to the Broadcaster Leases with iHeart Media + Entertainment, Inc. and Alpha Media for continued use of the Tower of the Americas as a transmission site for KZEP, KQXT, and KJXK. [Carlos Contreras, Assistant City Manager; Lori Houston, Director; Center City Development and Operations]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Trevino	District 1		x				x
Alan Warrick	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x			x	

1st Amendment to Lease Agreement
(Tower FM Consortuim, LLC)

1. Identifying Information.

Lessee: Tower FM Consortium, LLC,

Lessee's Address: iHeart Media + Entertainment, Inc.
2625 S. Memorial Drive, Suite A
Tulsa, OK 74129
Attn: SVP/Real Estate, Facilities & Capital Management

Alpha Media
4050 Eisenhauer Road
San Antonio, TX 72818
Attn: Market Manager/VP

With Copies to:

iHeartCommunications, Inc.
200 E. Basse Road
San Antonio, TX 78209
Attn: Real Estate Department

DTZ
4301 Anchor Plaza Parkway, Suite 400
Tampa, FL 33634
Attn: Lease Administration

Alpha Media
4050 Eisenhauer Road
San Antonio, TX 78218
Attn: Engineering Manager

Lease: Master Antenna for Commercial Broadcasting Located at the top of the Tower of the Americas, San Antonio, TX

Ordinance Authorizing Original Lease: 2006-08-31-0976

Ordinance Authorizing 1st Amendment:

Beginning of Renewal Term: July 1, 2015

Expiration of Renewal Term: June 30, 2020

2. Defined Terms.

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

3. Renewal.

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

4. No Default.

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

5. Same Terms and Conditions.

5.1 This instrument is a fully integrated statement of the modifications to the Lease. Except as expressly modified by this instrument, the Lease remains a comprehensive statement of the rights and obligations of Lessor and Lessee. Lessor and Lessee reaffirm the Lease as modified by this agreement and represent to each other that, except as expressly stated in this instrument, no written right or obligation of either party has been waived such that it would impair exercise of the right or enforcement of the obligation on a future occasion.

6. Public Information.

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

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

Lessor	**Lessee**
City of San Antonio, a Texas municipal corporation	**Tower FM Consortium, LLC, a Texas Limited Liability Company**
By:_____	By iHeart Media + Entertainment, Inc Name: _____
Name: Carlos J. Contreras, III	Stephen G. Davis
Title: Assistant City Manager	Title: Senior Vice President
Date: _____	Date: 4-27-2015
	By: Alpha Media
Attest:	Name: _____
_____ CITY CLERK	Title: _____
	Date: _____
Approved as to Form:	
_____ CITY ATTORNEY	

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

Lessor	**Lessee**
City of San Antonio, a Texas municipal corporation	**Tower FM Consortium, LLC, a Texas Limited Liability Company**
By:_____	By iHeart Media + Entertainment, Inc Name: _____
Name: Carlos J. Contreras, III	Title: _____
Title: Assistant City Manager	Date: _____
Date: _____	By: Alpha Media
Attest:	Name: Dave Hawkins
_____ CITY CLERK	Title: SVP - General Manager
	Date: 4-29-15
Approved as to Form:	
_____ CITY ATTORNEY	

2nd Amendment to Lease Agreement

(iHeartMedia + Entertainment, Inc. which operates Radio Station KQXT)

1. Identifying Information.

Lessee: iHeartMedia + Entertainment, Inc.

Lessee's Address: 2625 S. Memorial Drive, Suite A, Tulsa, OK 74129

With Copies to:

iHeartMediaCommunications, Inc.
200 E. Basse Road
San Antonio,TX 78209
Attn: Real Estate Department

DTZ
4301 Anchor Plaza Parkway, Suite 400
Tampa, FL 33634
Attn: Lease Administration

Lease: Use of Tower of the Americas' mast and associated space as a transmitting site

Ordinance Authorizing Original Lease: 82359

Ordinance Authorizing 1st Amendment: 2006-08-31-0974

Ordinance Authorizing 2nd Amendment:

Beginning of Renewal Term: July 1, 2015

Expiration of Renewal Term: June 30, 2020

2. Defined Terms.

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

3. Renewal.

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

4. Rent.

4.1 The monthly rental shall be $7,176.00 per month for first lease year of the Renewal Term, and shall increase by a rate of three percent (2.5%) per year, commencing upon the anniversary date of each remaining lease year. The rental may be paid in one lump sum in advance or in monthly installments in advance on the first day of each month in accordance with the following payment schedule:

4.1.1 7/1/2015 – 6/30/2016: $86,112.00 payable in one lump sum in advance or $7,176.00 per month.

4.1.2 7/1/2016 – 6/30/2017: $88,264.80 payable in one lump sum in advance or $7,355.40 per month.

4.1.3 7/1/2017 – 6/30/2018: $90,471.48 payable in one lump sum in advance or $7,539.29 per month.

4.1.4 7/1/2018 – 6/30/2019: $92,733.24 payable in one lump sum in advance or $7,727.77 per month.

4.1.5 7/1/2019 – 6/30/2020: $95,051.52 payable in one lump sum in advance or $7,920.96 per month.

4.2 From the Beginning of the Renewal Term to the Expiration of the Renewal Term, Lessee must Rent pay to Lessor at the place, at the intervals, and in the manner described in the Lease for the payment of rent.

5. No Default.

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

6. Same Terms and Conditions.

6.1 This instrument is a fully integrated statement of the modifications to the Lease. Except as expressly modified by this instrument, the Lease remains a comprehensive statement of the rights and obligations of Lessor and Lessee. Lessor and Lessee reaffirm the Lease as modified by this agreement and represent to each other that, except as expressly stated in this instrument, no written right or obligation of either party has been waived such that it would impair exercise of the right or enforcement of the obligation on a future occasion.

7. Public Information.

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

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

Lessor	**Lessee**
City of San Antonio, a Texas municipal corporation	**iHeartMedia + Entertainment, Inc.**
By:_____	By:_____
Name: Carlos J. Contreras, III	Name: Stephen G. Davis
Title: Assistant City Manager	Title: Senior Vice President
Date: _____	Date: 4-27-2015

Attest:

_____
CITY CLERK

Approved as to Form:

_____
CITY ATTORNEY

2nd Amendment to Lease Agreement

(iHeartMedia + Entertainment, Inc. which operates Radio Station KZEP)

1. Identifying Information.

Lessee: iHeartMedia + Entertainment, Inc.

Lessee's Address: 2625 S. Memorial Drive, Suite A, Tulsa, OK 74129

With Copies to:

iHeartMediaCommunications, Inc.
200 E. Basse Road
San Antonio,TX 78209
Attn: Real Estate Department

DTZ
4301 Anchor Plaza Parkway, Suite 400
Tampa, FL 33634
Attn: Lease Administration

Lease: Use of Tower of the Americas' mast and associated space as a transmitting site

Ordinance Authorizing Original Lease: 82359

Ordinance Authorizing 1st Amendment: 2006-08-31-0974

Ordinance Authorizing 2nd Amendment:

Beginning of Renewal Term: July 1, 2015

Expiration of Renewal Term: June 30, 2020

2. Defined Terms.

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

3. Renewal.

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

4. Rent.

4.1 The monthly rental shall be $7,176.00 per month for first lease year of the Renewal Term, and shall increase by a rate of three percent (2.5%) per year, commencing upon the anniversary date of each remaining lease year. The rental may be paid in one lump sum in advance or in monthly installments in advance on the first day of each month in accordance with the following payment schedule:

4.1.1 7/1/2015 – 6/30/2016: $86,112.00 payable in one lump sum in advance or $7,176.00 per month.

4.1.2 7/1/2016 – 6/30/2017: $88,264.80 payable in one lump sum in advance or $7,355.40 per month.

4.1.3 7/1/2017 – 6/30/2018: $90,471.48 payable in one lump sum in advance or $7,539.29 per month.

4.1.4 7/1/2018 – 6/30/2019: $92,733.24 payable in one lump sum in advance or $7,727.77 per month.

4.1.5 7/1/2019 – 6/30/2020: $95,051.52 payable in one lump sum in advance or $7,920.96 per month.

4.2 From the Beginning of the Renewal Term to the Expiration of the Renewal Term, Lessee must Rent pay to Lessor at the place, at the intervals, and in the manner described in the Lease for the payment of rent.

5. No Default.

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

6. Same Terms and Conditions.

6.1 This instrument is a fully integrated statement of the modifications to the Lease. Except as expressly modified by this instrument, the Lease remains a comprehensive statement of the rights and obligations of Lessor and Lessee. Lessor and Lessee reaffirm the Lease as modified by this agreement and represent to each other that, except as expressly stated in this instrument, no written right or obligation of either party has been waived such that it would impair exercise of the right or enforcement of the obligation on a future occasion.

7. Public Information.

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

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

Lessor	**Lessee**
City of San Antonio, a Texas municipal corporation	**iHeartMedia + Entertainment, Inc.**
By: _____	By: _____
Name: Carlos J. Contreras, III	Name: Stephen G. Davis
Title: Assistant City Manager	Title: Senior Vice President
Date: _____	Date: 4-27-2015

Attest:

_____
CITY CLERK

Approved as to Form:

_____
CITY ATTORNEY

2nd Amendment to Lease Agreement

(Alpha Media which operates Radio Station KJXK)

1. Identifying Information.

Lessee: Alpha Media

Lessee's Address: 4050 Eisenhauer Road
San Antonio, TX 78218
Attn: Market Manager/VP

With Copies to:

Alpha Media
4050 Eisenhauer Road
San Antonio,TX 78218
Attn: Engineering Manager

Lease: Use of Tower of the Americas' mast and associated space as a transmitting site

Ordinance Authorizing Original Lease: 82359

Ordinance Authorizing 1st Amendment: 2006-08-31-0974

Ordinance Authorizing 2nd Amendment:

Beginning of Renewal Term: July 1, 2015

Expiration of Renewal Term: June 30, 2020

2. Defined Terms.

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

3. Renewal.

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4.1.5 7/1/2019 – 6/30/2020: $95,051.52 payable in one lump sum in advance or $7,920.96 per month.

4.2 From the Beginning of the Renewal Term to the Expiration of the Renewal Term, Lessee must Rent pay to Lessor at the place, at the intervals, and in the manner described in the Lease for the payment of rent.

5. No Default.

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6. Same Terms and Conditions.

6.1 This instrument is a fully integrated statement of the modifications to the Lease. Except as expressly modified by this instrument, the Lease remains a comprehensive statement of the rights and obligations of Lessor and Lessee. Lessor and Lessee reaffirm the Lease as modified by this agreement and represent to each other that, except as expressly stated in this instrument, no written right or obligation of either party has been waived such that it would impair exercise of the right or enforcement of the obligation on a future occasion.

7. Public Information.

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

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

Lessor	**Lessee**
City of San Antonio, a Texas municipal corporation	**Alpha Media**
By:_____	By: Lance Hawkins
Name: Carlos J. Contreras, III	Name: Lance Hawkins
Title: Assistant City Manager	Title: SVP/General Manager
Date: _____	Date: 4-29-15

Attest:

_____
CITY CLERK

Approved as to Form:

_____
CITY ATTORNEY