

AN ORDINANCE

2007-03-29-0321

APPROVING A FIVE-YEAR LEASE WITH CALLAGHAN SQUARE INVESTMENTS, LLC, FOR APPROXIMATELY 5,000 SQUARE FEET OF GENERAL OFFICE AND CLINIC SPACE AT 4418 CALLAGHAN ROAD FOR SAN ANTONIO METROPOLITAN HEALTH DISTRICT' OPERATIONS, WITH RENT BEGINNING AT \$5,354.26 MONTHLY AND ESCALATING OVER THE TERM TO \$5,908.33 MONTHLY

* * * * *

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

SECTION 1. The City Manager or designee is authorized and directed to execute and deliver on behalf of the City a lease agreement substantially in the form of **Attachment I**, which is incorporated by reference for all purposes as if fully set forth. The City Manager and designee should take all other actions reasonably necessary or convenient to effectuate the subject transaction, including agreeing to non-material changes to the approved form and executing and delivering all ancillary instruments and agreements.

SECTION 2. Fund 26016000 entitled "Texas Department of State Health Service" is hereby designated for use in the accounting for the fiscal transaction of this contract for the first year of the contract. Funds in the amount of \$64,250.00 for the first year of the contract have been previously allocated in IO 136000000332 entitled "WIC 2006-07" and will be disbursed from GL 5206010 and are authorized to be paid to Callaghan Square Investments, LLC.

SECTION 3. The funds for the remaining years two through five will be disbursed as follows of said contract's five-year term and will be contingent on the availability of TDSHS funds, future City Council appropriation of such funding and allocations to the WIC Program, are contingent upon funding:

<i>Year</i>	<i>Annual Lease Amount</i>	<i>GL</i>
2	64,250	5206010
3	64,250	5206010
4	67,450	5206010
5	70,900	5206010
	<hr/>	
	\$266,850	

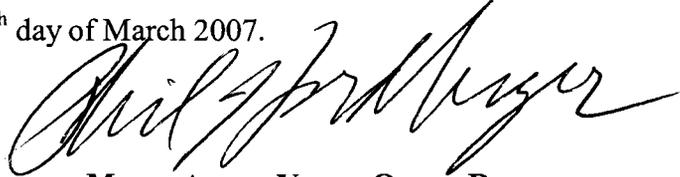
SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance for the City of San Antonio for the City of San Antonio. The Director may, subject to concurrence by the City Manager or the City Manager's

designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

map

SECTION ~~4~~⁵. This ordinance becomes effective April 8, 2007.

PASSED AND APPROVED this 29th day of March 2007.



M A Y O R

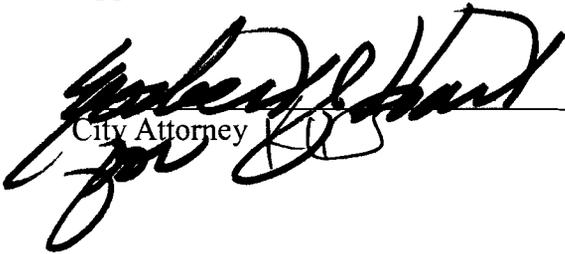
Attest:

PHIL HARDBERGER



City Clerk

Approved As To Form:



City Attorney

Agenda Voting Results

Name: Consent Agenda, except for 8, 14, 18, 41, 53, 57, 58C

Date: 03/29/07

Time: 02:10:52 PM

Vote Type: Multiple selection

Description:

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1		x		
SHEILA D. MCNEIL	DISTRICT 2		x		
ROLAND GUTIERREZ	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4		x		
PATTI RADLE	DISTRICT 5		x		
DELICIA HERRERA	DISTRICT 6		x		
ELENA K. GUAJARDO	DISTRICT 7		x		
ART A. HALL	DISTRICT 8		x		
KEVIN A. WOLFF	DISTRICT 9		x		
CHIP HAASS	DISTRICT_10		x		
MAYOR PHIL HARDBERGER	MAYOR		x		



CMS or Ordinance Number: OR00000200703290321

TSLGRS File Code: 1000-05

Document Title:
ORD - 00000200703290321

Ordinance Date:
3/29/2007

Callaghan Square Investments
4418 Callaghan (Rent Address)



CMS or Ordinance Number: CN4600005743

TSLGRS File Code:1000-25

Document Title:
CONT - 4600005743

Commencement Date:

4/16/2007

Expiration Date:

9/30/2007

Lease

(Health Department/Callaghan Square)

This Lease (“Lease”) is by and between the Landlord and Tenant identified below and pertaining to the identified Premises.

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1. Basic Information.

Authorizing Ordinance:

Landlord: Callaghan Square Investments, Inc.

Landlord’s Address: 1110 Lashbrook, Houston, Texas 77077

Tenant: City of San Antonio

Tenant’s Address: P.O. Box 839966, San Antonio, Texas 78283-3966

Premises: Approximately 5,000 square feet of gross leasable floor area located in the retail center at 4418 Callaghan Road, San Antonio, Bexar County, Texas.

Permitted Use: General office and clinic space for the San Antonio Metropolitan Health District

Commencement Date: September 1, 2006

Initial Term: From Commencement Date through and including August 31, 2011

Address for Payment of Rent: Callaghan Square Investments, Inc., 1110 Lashbrook, Houston, Texas 77077

2. Granting Clause.

Landlord leases the Premises to Tenant, and Tenant takes the Premises from Landlord on the terms and conditions of this Lease.

3. Term/Renewal/Termination.

3.01 The term of this Lease is the Initial Term, unless sooner terminated as provided in this Lease.

3.02 Tenant may renew this Lease for another five year term by delivering 90-days' prior written notice to Landlord, but the renewal is contingent on Landlord and Tenant agreeing on rent during the renewal term. All other terms of the Lease remain the same.

3.03. Despite any other provision of this agreement, after the third anniversary of the Commencement Date, Tenant may terminate this Lease without cause at any time on 90-days' prior written notice to Landlord.

4. Services, Repairs and Maintenance.

4.01. Tenant must provide, at its cost, its own telephone and other telecommunications services and all utilities separately metered for the Premises. It is Tenant's responsibility to establish accounts in its own name for separately-metered utilities.

4.02. Landlord must provide, at its cost, all other necessary services and non-separately-metered utilities for the intended use of such premises during the initial and renewal periods of this lease..

4.03. Tenant must, at its own expense, keep the Premises in good order and repair, and in clean, safe, and sanitary condition. For the purposes of this obligation, the term "Premises" includes interior paint, interior walls, interior doors and door hardware, light bulbs, and exterior electrical lights and fixtures installed by Tenant. Tenant must further comply with any/all local, state, or federal building or health requirements. Tenant is responsible for disposal of trash. Tenant also must dispose

of all used medical supplies according to requirements of applicable law. Tenant is responsible for HVAC repairs under \$250.

4.04. Landlord must maintain, at its expense, all common areas; the roof, exterior walls, and foundation of the building in which the Premises are located. Tenant need not repair anything physically located outside the Premises. Landlord must keep the Premises free of mold.

4.05. If a party to whom maintenance or repair responsibilities are allocated under this section fails to meet those responsibilities, the other party may demand in writing that the first party do so promptly. If the first party refuses or fails to begin promptly, the other may, but is not required to, make or cause such maintenance or repairs to be made. A party making such repairs on behalf of the other is not responsible to the other for loss or damage to the other by reason thereof. If the Landlord makes or causes such maintenance or repairs to be made, the Tenant will promptly, on demand, pay Landlord the cost thereof as additional rent. If Tenant fails to do so, it is an event of default. If Tenant makes such repairs on behalf of Landlord, Landlord will promptly, on demand, pay Tenant the cost thereof.. Nothing requires one party to perform maintenance or repairs allocated to the other.

5. Rent.

Tenant must pay rent at the Address for Payment of Rent. Tenant must pay rent during the Initial Term in equal monthly installments on or before the fifth day of each calendar month in the following amounts:

September 1, 2006 through August 31, 2009	\$5,354.26
September 1, 2009 through August 31, 2010	\$5,621.86
September 1, 2010 through August 31, 2011	\$5,908.33

6. Mortgage of Landlord's Interest.

6.01 Landlord may (1) mortgage or (2) sell or otherwise transfer its fee simple interest in the Premises. But in such case, Landlord must secure from any existing or future mortgage holder, lienholder, or subsequent purchaser or transferee a non-disturbance and attornment agreement (1) recognizing Tenant's right to remain in peaceful possession of the Premises under the existing Lease with Landlord, as long as Tenant is not in default in payment of rent or otherwise, and (2) agreeing to be bound by the terms of this Lease. The non-disturbance and attornment agreement must be procured within 30 days after the Commencement Date and at least 30 days before any event giving rise to a new mortgage holder or other transferee.

6.02 If Tenant receives a non-disturbance and attornment agreement from a future mortgage holder transferee, Tenant has 20 days to deliver the subordination, attornment and certificate required above. The execution of these documents is an

administrative duty of Tenant and does not require specific future City Council approval unless agreements modify the terms of the Lease.

7. Assignment or Sublease.

Tenant may not assign this Lease or sublease the Premises, or any part thereof, without first obtaining the Landlord's written consent, such consent not to be unreasonably withheld. Landlord may assign to a mortgagee without prior consent of Tenant as long as the provisions of Article 6 are complied with.

8. Alterations and Additions.

Tenant must, within 30 days after termination of this Lease, or any holdover or renewal period, at its sole cost and expense, remove from the Premises all of its improvements or other items that are not the property of Landlord. Tenant must further restore the Premises to its condition prior to the beginning of this lease, save and except for damage from normal wear and tear.

9. Government Requirements.

Tenant will maintain the Premises in a clean and healthful condition and comply with all laws, ordinances, orders, rules, and regulations (federal, state, and local) with reference to use, conditions, or occupancy of the Premises.

10. Acceptance of Premises.

10.01. Landlord must comply with the San Antonio City Charter, City Code, City and County ordinances, federal and state laws and confirms that the Premises, following completion of the improvements and the Building will be, and will continue to be during any occupancy governed in whole or in part by this instrument (1) in good and satisfactory condition, (2) suitable for Tenant's intended purpose and (3) in compliance with the Americans with Disabilities Act and all applicable regulations thereunder, including a restroom located within the Premises..

10.02. Subject to the foregoing, Tenant has inspected the Premises and accepts the Premises in an "as-is" condition.

11. Disclaimer of Indemnity.

Tenant is not 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 any other loss or claim except as results from Tenant's sole active negligence, as determined by a court of competent jurisdiction and upon final adjudication or settlement and then not in excess of the limits of liability under the Texas Tort Claims Act.

12. Quiet Enjoyment.

On paying rent and performing the other covenants and agreements imposed on Tenant by this Lease, Tenant, will and may peacefully and quietly have, hold, and enjoy the Premises. Landlord must use its best efforts to protect Tenant from interference or disturbance by other tenants or third persons.

13. Insurance.

13.01 Tenant will self-insure as it deems advisable against loss of any of its property in the Premises.

13.02 Landlord must maintain Commercial General Liability insurance of not less than \$1,000,000 and property and casualty insurance for physical damage to the Premises in the amount of 80% of their actual cash value. **Landlord waives all claims against Tenant for injury to persons or property on or about the Premises, whether or not caused by Tenant's negligence or other fault.**

14. Default and Remedies: Tenant's Default.

14.01 Tenant's neglect or failure to pay rent within 5 days of its due date is an event of default hereunder. Further, Tenant's neglect or failure to perform or observe any of its obligations under this Lease, if continued for 15 days after receipt of written notice and opportunity to cure, is likewise an event of default. But if more than 15 days is reasonably necessary to cure a particular default, Tenant will not be in default if, within the 15 day period, it begins and thereafter diligently pursues a cure. Under no circumstances may the cure exceed 60 days from the date when Tenant's default would otherwise occur. Landlord must notify Tenant of any monetary default in accordance with the notice provisions of this Lease.

14.02 If Tenant defaults and fails to cure timely, Landlord may terminate this Lease by written notice to Tenant. Landlord may re-enter and relet the Premises or any part thereof upon the best rent and best terms possible as soon as reasonably possible and with reasonable effort on the part of Landlord. Tenant is liable for the payment each month as due during the remaining balance of the Lease Term for the difference in rent occasioned by the reletting, so long as Landlord has relet to a viable lessee, other than a related party.

15. Default and Remedies: Landlord's Default.

15.01 Landlord's neglect or failure to perform or observe any of its obligations under this Lease, if continued for 30 days after receipt of written notice and opportunity to cure, is an event of default. It is further an event of default if Landlord permits or suffers:

- (a) Appointment of a receiver to take possession of Landlord's assets,

(b) Landlord's general Assignment of assets for the benefit of creditors, and

(c) Landlord's insolvency

15.02 If Landlord defaults and fails to timely cure, Tenant may (1) file an action for damages or (2) terminate this Lease. But Tenant may not exercise Tenant's right to sue for damages or terminate unless and until (1) Tenant gives written notice of such default (which notice must specify the nature of the default with particularity and how the same may be cured) to the Landlord, and (2) Landlord fails to cure the default or cause it to be cured timely. But if more than 30 days is reasonably necessary to cure a particular default, Landlord will not be in default if, within the 30 day period, it begins and thereafter diligently pursues a cure. Under no circumstances may the cure exceed 60 days from the date when Landlord's default would otherwise occur.

17. Estoppel Letter.

Tenant will furnish, from time to time, within 15 days after receipt of a request from Landlord or Landlord's mortgagee, a statement certifying, if applicable and to the extent true, the following: (1) Tenant is in possession of the Premises; (2) the Premises are acceptable; (3) the Lease is in full force and effect; (4) the Lease is unmodified; (5) Tenant claims no present charge, lien, or claim of offset against rent; (6) the rent is paid for the current month, but is not prepaid for more than one month and will not be prepaid for more than one month in advance; (7) there is no existing default by reason of some act or omission by Landlord; and (8) such other matters as may be reasonably required by Landlord or Landlord's mortgagee.

18. Appropriations.

Tenant's rent payments are funded through the City of San Antonio General Fund. If the City Council fails to appropriate funds for this Lease in the annual City of San Antonio Budget, then Tenant may terminate this Lease and have no further liability for the period after termination.

19. Dispute Resolution.

19.01 As a condition precedent to bringing any action arising out of or relating to this agreement or any aspect thereof, including an action for declaratory relief but not an action specifically excepted below, the disputants must first submit in good faith to mediation. The parties may not assert limitations, laches, waiver, and estoppel based upon attempts to mediate.

19.02. Filing suit on a claim that should be mediated hereunder waives the filer's right to demand mediation. But one party's waiver does not affect another party's right. A defendant does not waive mediation for so long as, within a

reasonable time after appearing, the defendant gives written notice to the plaintiff or its counsel of intent to require compliance with this paragraph.

19.03 Mediation must be conducted in San Antonio, Bexar County, Texas.

19.04 The party desiring relief has the burden to initiate mediation. Waiting for another party to initiate mediation does not waive the right to it.

19.05 If the parties can otherwise agree on a mediator, they may do so. Alternatively, either party may petition any court of competent jurisdiction to appoint a mediator. The only predicate issues the court need consider before appointing a mediator are whether (i) the copy of the contract before the court is authentic and (ii) the contract was duly signed and delivered by all parties to be bound to mediate. If neither of those issues is denied under oath, the court may appoint a mediator upon motion, without trial.

19.06 Mediator fees must be borne equally.

19.07. The parties need not mediate before going to court (1) for either party to seek emergency injunctive relief or (2) for Landlord to seek forcible entry and detainer relief against Tenant.

20. Prohibited Interests in Contracts.

20.01. The Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the City or any City agency such as city owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale:

- (i) a City officer or employee;
- (ii) his parent, child or spouse;
- (iii) a business entity in which the officer or employee, or his parent, child or spouse owns (i) 10% or more of the voting stock or shares of the business entity, or (ii) 10% or more of the fair market value of the business entity;
- (iv) a business entity in which any individual or entity above listed is a (i) subcontractor on a City contract, (ii) a partner, or (iii) a parent or subsidiary business entity.

20.02. Landlord warrants and certifies as follows:

- (i) Landlord and its officers, employees and agents are neither officers nor employees of the City.

(ii) Landlord has tendered to the City a Discretionary Contracts Disclosure Statement in compliance with the City's Ethics Code.

20.03. Landlord acknowledges that City's reliance on the above warranties and certifications is reasonable.

21. Holdover Periods.

If the Lease has not been earlier terminated according to its terms and Tenant is current on rent, after the expiration of this agreement and after any renewals specifically provided for in this instrument, Tenant may hold-over for up to six additional months on a month-to-month basis. Tenant need not give advance notice of intent to exercise this hold-over right to perfect entitlement to it. The rent during any such holdover is the same as the rent for the term being held-over, and all other terms of this Lease apply. Council's authorization of this instrument is authority for the City as Tenant to enter into the hold-over period without further council action if the Director of the Health Department deems the holdover beneficial.

22. Miscellaneous Provisions.

22.01. **Foreclosure.** Tenant must attorn to the purchaser at any foreclosure sale and recognize such sale and such purchaser as Landlord under this Lease, if the purchaser recognizes Tenant's rights under this Lease and agrees not to disturb Tenant's possession of the Premises for so long as Tenant is not in default hereunder.

22.03. **Authority To Execute.** The parties executing this Lease on behalf of Tenant personally warrant that each of them has full authority to execute this Lease on behalf of the entity for whom they are acting.

22.04. **Applicable Law.** This Agreement is entered into in San Antonio, Bexar County, State of Texas. **The Construction Of This Agreement And The Rights, Remedies, And Obligations Arising Thereunder Are Governed By The Laws Of The State Of Texas.** But the Texas conflicts of law rules must not cause the application of the laws of a jurisdiction other than Texas. The obligations performable by both parties are performable in San Antonio, Bexar County, Texas.

22.05. **Severability.** If any portion hereof is determined to be invalid or unenforceable, the determination does not affect the remainder.

22.06 **Successors.** This Agreement inures to the benefit of and binds the heirs, representatives, successors, and permitted assigns of each party. This clause does not authorize any assignment not otherwise authorized.

22.07. **Integration. This Written Agreement Represents The Final Agreement Between The Parties And May Not Be**

Contradicted By Evidence Of Prior, Contemporaneous, Or Subsequent Oral Agreements Of The Parties. There Are No Oral Agreements Between The Parties.

22.08. Modification. This Agreement may be changed only by a written agreement signed by the party against whom enforcement is sought. No such modification, express or implied, affects the right of the modifying party to require observance of either (i) any other term or (ii) the same term or condition as it applies on a subsequent or previous occasion.

22.09. Third Party Beneficiaries. This Agreement benefits only the parties and their successors and permitted assigns. There are no third party beneficiaries.

22.10. Notices. Notices must be in writing and by certified mail, return receipt requested, addressed to the parties at their respective addresses set forth at the beginning of this Lease. If the addressee is a corporation, notices must be addressed to the attention of its President. Notice is complete three days after deposit, properly addressed and postage prepaid, with the United States Postal Service. Failure to use certified mail does not defeat the effectiveness of notice actually received, but such notice is effective only on actual receipt. Address for notice may be changed by giving notice. Notice to Landlord is to the address stated at the beginning of this Lease. Notice to Tenant is as follows:

Director, Health Department
City of San Antonio
P.O. Box 839966
San Antonio, Texas 78283-3966

Director, Finance Department
City of San Antonio
P.O. Box 839966
San Antonio, Texas 78283-3966

Notice to Tenant of monetary default must include a copy to Director of Finance, City of San Antonio, P.O. Box 839966, San Antonio, Texas 78283-3966.

22.11. Pronouns. In construing this Agreement, plural constructions include the singular, and singular constructions include the plural. No significance attaches to whether a pronoun is masculine, feminine, or neuter. The words "herein," "hereof," and other, similar compounds of the word "here" refer to this entire Agreement, not to any particular provision of it.

22.12. Captions. Paragraph captions in this Agreement are for ease of reference only and do not affect interpretation.

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

22.14. Further Assurances. The parties must execute and deliver such additional documents and instruments as may be required to effect fully the provisions hereof. No such additional document(s), however, may alter the rights or obligations of the parties as contained in this agreement

22.15. Ambiguities Not to Be Construed against Drafter. Ambiguities found in this lease must be resolved without construing against the drafter.

22.16. No Special Relationship. The parties' relationship is an ordinary commercial relationship, and they do not intend to create the relationship of principal and agent, partnership, joint venture, or any other special relationship.

23. Public Information.

Buyer 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.

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

Tenant:

City of San Antonio, a Texas
municipal corporation

Signature: *Pat DiGiovanni*

Printed
Name: Pat DiGiovanni

Title: Deputy City Manager

Date: 5/7/07

Attest:

Patricia M. Valdez
City Clerk

Approved as to Form:

[Signature]
City Attorney

Landlord:

Callaghan Square Investments, Inc.,
a Texas business corporation

Signature: *Michel Shapiro*

Printed
Name: Dy. Michel Shapiro

Title: President

Date: March 8 2007



Contract Form

Active SAP Contract CustomerNo CityAsTenant RecurringPayment

ContractName Health - Callaghan Square AssignedStaff Celena Sanchez, Special Projects Coordinator

ContractType Lease SPNo CityDepartment HEALTH DEPARTMENT

DeptContact Nichole Ledesma DeptContactPhone (210) 207-8689

PhysicalAddress1 4418 Callaghan

PhysicalAddress2 San Antonio, TX 78228

ContactName Dr. Michel Shapiro (m.shapiro1@sbcglobal.net) ContactPhone (281) 531-7121

ContactAddress1 1110 Lashbrook Dr

ContactAddress2 Houston, TX 77077

Description/Additional Rent:
Modified Net lease: COSA pays for routine HVAC maintenance if less than \$250; otherwise LL pays. COSA pays utilities, custodial and supplies. LL pays property taxes and maintains common areas.

ParkingComment n/a

SquareFootage 5000 AnnualRentRate/SF \$12.85 TotalAmount \$0.00

Ordinance 07-03-29-03 OrdDate 3/29/2007 StartDate 9/1/2006 EndDate 8/31/2011

OrdinanceLink ContractLink

Comments/Options:
Renewal: One 5-year with 90 day written notice. Rate to be negotiated.
Termination: After 3rd anniversary, COSA may terminate with or w/out cause with 90 day written notice.

[Contract Actions](#) [Materials/Billing](#) [Contract Payments](#) [Contract Report](#)

[Close Form](#)

James - I know we've already talked about this and I believe you have this set up. But in case you wanted a copy for your files.
Traci

Complete	ActionDate	Action	ID
<input type="checkbox"/>	8/31/2006	Certificate of Insurance due (\$1M GL; 80% value property)	393
<input type="checkbox"/>	9/1/2009	Monthly rent increases to \$5,621.86 (or \$13.49/sf/year)	393
<input type="checkbox"/>	9/1/2009	COSA can provide 90 day notice to terminate w/out cause at	393
<input type="checkbox"/>	9/1/2010	Monthly rent increases to \$5,908.33 (or \$14.18/sf/year)	393
<input type="checkbox"/>	6/1/2011	COSA 90 day written notice to renew is due.	393
<input type="checkbox"/>	8/31/2011	Lease expires	393

**CITY OF SAN ANTONIO
DEPARTMENT OF ASSET MANAGEMENT
INTERDEPARTMENTAL CORRESPONDENCE SHEET**

TO: City Manager's Office
FROM: Shawn P. Eddy, Director
COPIES: File
SUBJECT: Execution of a Lease Agreement with Callaghan Square Investments, Inc.
DATE: April 13, 2007

PROJECT TYPE: Real Estate Sales Contract
ORDINANCE: 2007-03-29-0321
ORDINANCE DATE: March 29, 2007

BACKGROUND:

This Ordinance authorizes the execution of a lease with Callaghan Square Investments, LLC, located at 4418 Callaghan Road for general office and clinic space for the San Antonio Metropolitan Health District's (SAMHD) Women, Infants and Children (WIC) Nutrition Project. The term is for five (5) years commencing September 1, 2006 for the use of 5,000 square feet. Annual rent per square foot will be \$12.85 for years 1 through 3, \$13.49 for year 4 and \$14.18 for year 5. The City will also be responsible for certain operating costs, such as utilities, cleaning and trash removal. The City will have a termination option after year 3 and a renewal option for 5 additional years beyond the original term.

The Texas Department of State Health Services (DSHS) provides annual financial assistance to the City to support the WIC Nutrition Project of the SAMHD. Under this program, SAMHD provides nutritional support for pregnant women and their families at various WIC clinics throughout the City. This WIC clinic serves approximately 5,000 participants per month primarily from northwest San Antonio. SAMHD has leased space at this location for the past ten (10) years and has been on a month-to-month holdover during lease negotiations.

POLICY ANALYSIS:

This action is consistent with utilizing leased space to augment City-owned facilities to support state and federally funded programs.


Shawn P. Eddy, Director
Department of Asset Management


Michael D. Bernard,
City Attorney



Lease

(Health Department/Callaghan Square)

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1. Basic Information.

Authorizing Ordinance:

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Landlord’s Address: 1110 Lashbrook, Houston, Texas 77077

Tenant: City of San Antonio

Tenant’s Address: P.O. Box 839966, San Antonio, Texas 78283-3966

Premises: Approximately 5,000 square feet of gross leasable floor area located in the retail center at 4418 Callaghan Road, San Antonio, Bexar County, Texas.

Permitted Use: General office and clinic space for the San Antonio Metropolitan Health District

Commencement Date: September 1, 2006

Initial Term: From Commencement Date through and including August 31, 2011

Address for Payment of Rent: Callaghan Square Investments, Inc., 1110 Lashbrook, Houston, Texas 77077

2. Granting Clause.

Landlord leases the Premises to Tenant, and Tenant takes the Premises from Landlord on the terms and conditions of this Lease.

3. Term/Renewal/Termination.

3.01 The term of this Lease is the Initial Term, unless sooner terminated as provided in this Lease.

3.02 Tenant may renew this Lease for another five year term by delivering 90-days' prior written notice to Landlord, but the renewal is contingent on Landlord and Tenant agreeing on rent during the renewal term. All other terms of the Lease remain the same.

3.03. Despite any other provision of this agreement, after the third anniversary of the Commencement Date, Tenant may terminate this Lease without cause at any time on 90-days' prior written notice to Landlord.

4. Services, Repairs and Maintenance.

4.01. Tenant must provide, at its cost, its own telephone and other telecommunications services and all utilities separately metered for the Premises. It is Tenant's responsibility to establish accounts in its own name for separately-metered utilities.

4.02. Landlord must provide, at its cost, all other necessary services and non-separately-metered utilities for the intended use of such premises during the initial and renewal periods of this lease..

4.03. Tenant must, at its own expense, keep the Premises in good order and repair, and in clean, safe, and sanitary condition. For the purposes of this obligation, the term "Premises" includes interior paint, interior walls, interior doors and door hardware, light bulbs, and exterior electrical lights and fixtures installed by Tenant. Tenant must further comply with any/all local, state, or federal building or health requirements. Tenant is responsible for disposal of trash. Tenant also must dispose

of all used medical supplies according to requirements of applicable law. Tenant is responsible for HVAC repairs under \$250.

4.04. Landlord must maintain, at its expense, all common areas; the roof, exterior walls, and foundation of the building in which the Premises are located. Tenant need not repair anything physically located outside the Premises. Landlord must keep the Premises free of mold.

4.05. If a party to whom maintenance or repair responsibilities are allocated under this section fails to meet those responsibilities, the other party may demand in writing that the first party do so promptly. If the first party refuses or fails to begin promptly, the other may, but is not required to, make or cause such maintenance or repairs to be made. A party making such repairs on behalf of the other is not responsible to the other for loss or damage to the other by reason thereof. If the Landlord makes or causes such maintenance or repairs to be made, the Tenant will promptly, on demand, pay Landlord the cost thereof as additional rent. If Tenant fails to do so, it is an event of default. If Tenant makes such repairs on behalf of Landlord, Landlord will promptly, on demand, pay Tenant the cost thereof... Nothing requires one party to perform maintenance or repairs allocated to the other.

5. Rent.

Tenant must pay rent at the Address for Payment of Rent. Tenant must pay rent during the Initial Term in equal monthly installments on or before the fifth day of each calendar month in the following amounts:

September 1, 2006 through August 31, 2009	\$5,354.26
September 1, 2009 through August 31, 2010	\$5,621.86
September 1, 2010 through August 31, 2011	\$5,908.33

6. Mortgage of Landlord's Interest.

6.01 Landlord may (1) mortgage or (2) sell or otherwise transfer its fee simple interest in the Premises. But in such case, Landlord must secure from any existing or future mortgage holder, lienholder, or subsequent purchaser or transferee a non-disturbance and attornment agreement (1) recognizing Tenant's right to remain in peaceful possession of the Premises under the existing Lease with Landlord, as long as Tenant is not in default in payment of rent or otherwise, and (2) agreeing to be bound by the terms of this Lease. The non-disturbance and attornment agreement must be procured within 30 days after the Commencement Date and at least 30 days before any event giving rise to a new mortgage holder or other transferee.

6.02 If Tenant receives a non-disturbance and attornment agreement from a future mortgage holder transferee, Tenant has 20 days to deliver the subordination, attornment and certificate required above. The execution of these documents is an

administrative duty of Tenant and does not require specific future City Council approval unless agreements modify the terms of the Lease.

7. Assignment or Sublease.

Tenant may not assign this Lease or sublease the Premises, or any part thereof, without first obtaining the Landlord's written consent, such consent not to be unreasonably withheld. Landlord may assign to a mortgagee without prior consent of Tenant as long as the provisions of Article 6 are complied with.

8. Alterations and Additions.

Tenant must, within 30 days after termination of this Lease, or any holdover or renewal period, at its sole cost and expense, remove from the Premises all of its improvements or other items that are not the property of Landlord. Tenant must further restore the Premises to its condition prior to the beginning of this lease, save and except for damage from normal wear and tear.

9. Government Requirements.

Tenant will maintain the Premises in a clean and healthful condition and comply with all laws, ordinances, orders, rules, and regulations (federal, state, and local) with reference to use, conditions, or occupancy of the Premises.

10. Acceptance of Premises.

10.01. Landlord must comply with the San Antonio City Charter, City Code, City and County ordinances, federal and state laws and confirms that the Premises, following completion of the improvements and the Building will be, and will continue to be during any occupancy governed in whole or in part by this instrument (1) in good and satisfactory condition, (2) suitable for Tenant's intended purpose and (3) in compliance with the Americans with Disabilities Act and all applicable regulations thereunder, including a restroom located within the Premises..

10.02. Subject to the foregoing, Tenant has inspected the Premises and accepts the Premises in an "as-is" condition.

11. Disclaimer of Indemnity.

Tenant is not 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 any other loss or claim except as results from Tenant's sole active negligence, as determined by a court of competent jurisdiction and upon final adjudication or settlement and then not in excess of the limits of liability under the Texas Tort Claims Act.

12. Quiet Enjoyment.

On paying rent and performing the other covenants and agreements imposed on Tenant by this Lease, Tenant, will and may peacefully and quietly have, hold, and enjoy the Premises. Landlord must use its best efforts to protect Tenant from interference or disturbance by other tenants or third persons.

13. Insurance.

13.01 Tenant will self-insure as it deems advisable against loss of any of its property in the Premises.

13.02 Landlord must maintain Commercial General Liability insurance of not less than \$1,000,000 and property and casualty insurance for physical damage to the Premises in the amount of 80% of their actual cash value. **Landlord waives all claims against Tenant for injury to persons or property on or about the Premises, whether or not caused by Tenant's negligence or other fault.**

14. Default and Remedies: Tenant's Default.

14.01 Tenant's neglect or failure to pay rent within 5 days of its due date is an event of default hereunder. Further, Tenant's neglect or failure to perform or observe any of its obligations under this Lease, if continued for 15 days after receipt of written notice and opportunity to cure, is likewise an event of default. But if more than 15 days is reasonably necessary to cure a particular default, Tenant will not be in default if, within the 15 day period, it begins and thereafter diligently pursues a cure. Under no circumstances may the cure exceed 60 days from the date when Tenant's default would otherwise occur. Landlord must notify Tenant of any monetary default in accordance with the notice provisions of this Lease.

14.02 If Tenant defaults and fails to cure timely, Landlord may terminate this Lease by written notice to Tenant. Landlord may re-enter and relet the Premises or any part thereof upon the best rent and best terms possible as soon as reasonably possible and with reasonable effort on the part of Landlord. Tenant is liable for the payment each month as due during the remaining balance of the Lease Term for the difference in rent occasioned by the reletting, so long as Landlord has relet to a viable lessee, other than a related party.

15. Default and Remedies: Landlord's Default.

15.01 Landlord's neglect or failure to perform or observe any of its obligations under this Lease, if continued for 30 days after receipt of written notice and opportunity to cure, is an event of default. It is further an event of default if Landlord permits or suffers:

- (a) Appointment of a receiver to take possession of Landlord's assets,

- (b) Landlord's general Assignment of assets for the benefit of creditors, and
- (c) Landlord's insolvency

15.02 If Landlord defaults and fails to timely cure, Tenant may (1) file an action for damages or (2) terminate this Lease. But Tenant may not exercise Tenant's right to sue for damages or terminate unless and until (1) Tenant gives written notice of such default (which notice must specify the nature of the default with particularity and how the same may be cured) to the Landlord, and (2) Landlord fails to cure the default or cause it to be cured timely. But if more than 30 days is reasonably necessary to cure a particular default, Landlord will not be in default if, within the 30 day period, it begins and thereafter diligently pursues a cure. Under no circumstances may the cure exceed 60 days from the date when Landlord's default would otherwise occur.

17. Estoppel Letter.

Tenant will furnish, from time to time, within 15 days after receipt of a request from Landlord or Landlord's mortgagee, a statement certifying, if applicable and to the extent true, the following: (1) Tenant is in possession of the Premises; (2) the Premises are acceptable; (3) the Lease is in full force and effect; (4) the Lease is unmodified; (5) Tenant claims no present charge, lien, or claim of offset against rent; (6) the rent is paid for the current month, but is not prepaid for more than one month and will not be prepaid for more than one month in advance; (7) there is no existing default by reason of some act or omission by Landlord; and (8) such other matters as may be reasonably required by Landlord or Landlord's mortgagee.

18. Appropriations.

Tenant's rent payments are funded through the City of San Antonio General Fund. If the City Council fails to appropriate funds for this Lease in the annual City of San Antonio Budget, then Tenant may terminate this Lease and have no further liability for the period after termination.

19. Dispute Resolution.

19.01 As a condition precedent to bringing any action arising out of or relating to this agreement or any aspect thereof, including an action for declaratory relief but not an action specifically excepted below, the disputants must first submit in good faith to mediation. The parties may not assert limitations, laches, waiver, and estoppel based upon attempts to mediate.

19.02. Filing suit on a claim that should be mediated hereunder waives the filer's right to demand mediation. But one party's waiver does not affect another party's right. A defendant does not waive mediation for so long as, within a

reasonable time after appearing, the defendant gives written notice to the plaintiff or its counsel of intent to require compliance with this paragraph.

19.03 Mediation must be conducted in San Antonio, Bexar County, Texas.

19.04 The party desiring relief has the burden to initiate mediation. Waiting for another party to initiate mediation does not waive the right to it.

19.05 If the parties can otherwise agree on a mediator, they may do so. Alternatively, either party may petition any court of competent jurisdiction to appoint a mediator. The only predicate issues the court need consider before appointing a mediator are whether (i) the copy of the contract before the court is authentic and (ii) the contract was duly signed and delivered by all parties to be bound to mediate. If neither of those issues is denied under oath, the court may appoint a mediator upon motion, without trial.

19.06 Mediator fees must be borne equally.

19.07. The parties need not mediate before going to court (1) for either party to seek emergency injunctive relief or (2) for Landlord to seek forcible entry and detainer relief against Tenant.

20. Prohibited Interests in Contracts.

20.01. The Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the City or any City agency such as city owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale:

- (i) a City officer or employee;
- (ii) his parent, child or spouse;
- (iii) a business entity in which the officer or employee, or his parent, child or spouse owns (i) 10% or more of the voting stock or shares of the business entity, or (ii) 10% or more of the fair market value of the business entity;
- (iv) a business entity in which any individual or entity above listed is a (i) subcontractor on a City contract, (ii) a partner, or (iii) a parent or subsidiary business entity.

20.02. Landlord warrants and certifies as follows:

- (i) Landlord and its officers, employees and agents are neither officers nor employees of the City.

(ii) Landlord has tendered to the City a Discretionary Contracts Disclosure Statement in compliance with the City's Ethics Code.

20.03. Landlord acknowledges that City's reliance on the above warranties and certifications is reasonable.

21. Holdover Periods.

If the Lease has not been earlier terminated according to its terms and Tenant is current on rent, after the expiration of this agreement and after any renewals specifically provided for in this instrument, Tenant may hold-over for up to six additional months on a month-to-month basis. Tenant need not give advance notice of intent to exercise this hold-over right to perfect entitlement to it. The rent during any such holdover is the same as the rent for the term being held-over, and all other terms of this Lease apply. Council's authorization of this instrument is authority for the City as Tenant to enter into the hold-over period without further council action if the Director of the Health Department deems the holdover beneficial.

22. Miscellaneous Provisions.

22.01. **Foreclosure.** Tenant must attorn to the purchaser at any foreclosure sale and recognize such sale and such purchaser as Landlord under this Lease, if the purchaser recognizes Tenant's rights under this Lease and agrees not to disturb Tenant's possession of the Premises for so long as Tenant is not in default hereunder.

22.03. **Authority To Execute.** The parties executing this Lease on behalf of Tenant personally warrant that each of them has full authority to execute this Lease on behalf of the entity for whom they are acting.

22.04. **Applicable Law.** This Agreement is entered into in San Antonio, Bexar County, State of Texas. **The Construction Of This Agreement And The Rights, Remedies, And Obligations Arising Thereunder Are Governed By The Laws Of The State Of Texas.** But the Texas conflicts of law rules must not cause the application of the laws of a jurisdiction other than Texas. The obligations performable by both parties are performable in San Antonio, Bexar County, Texas.

22.05. **Severability.** If any portion hereof is determined to be invalid or unenforceable, the determination does not affect the remainder.

22.06 **Successors.** This Agreement inures to the benefit of and binds the heirs, representatives, successors, and permitted assigns of each party. This clause does not authorize any assignment not otherwise authorized.

22.07. **Integration. This Written Agreement Represents The Final Agreement Between The Parties And May Not Be**

Contradicted By Evidence Of Prior, Contemporaneous, Or Subsequent Oral Agreements Of The Parties. There Are No Oral Agreements Between The Parties.

22.08. Modification. This Agreement may be changed only by a written agreement signed by the party against whom enforcement is sought. No such modification, express or implied, affects the right of the modifying party to require observance of either (i) any other term or (ii) the same term or condition as it applies on a subsequent or previous occasion.

22.09. Third Party Beneficiaries. This Agreement benefits only the parties and their successors and permitted assigns. There are no third party beneficiaries.

22.10. Notices. Notices must be in writing and by certified mail, return receipt requested, addressed to the parties at their respective addresses set forth at the beginning of this Lease. If the addressee is a corporation, notices must be addressed to the attention of its President. Notice is complete three days after deposit, properly addressed and postage prepaid, with the United States Postal Service. Failure to use certified mail does not defeat the effectiveness of notice actually received, but such notice is effective only on actual receipt. Address for notice may be changed by giving notice. Notice to Landlord is to the address stated at the beginning of this Lease. Notice to Tenant is as follows:

Director, Health Department
City of San Antonio
P.O. Box 839966
San Antonio, Texas 78283-3966

Director, Finance Department
City of San Antonio
P.O. Box 839966
San Antonio, Texas 78283-3966

Notice to Tenant of monetary default must include a copy to Director of Finance, City of San Antonio, P.O. Box 839966, San Antonio, Texas 78283-3966.

22.11. Pronouns. In construing this Agreement, plural constructions include the singular, and singular constructions include the plural. No significance attaches to whether a pronoun is masculine, feminine, or neuter. The words "herein," "hereof," and other, similar compounds of the word "here" refer to this entire Agreement, not to any particular provision of it.

22.12. Captions. Paragraph captions in this Agreement are for ease of reference only and do not affect interpretation.

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

22.14. Further Assurances. The parties must execute and deliver such additional documents and instruments as may be required to effect fully the provisions hereof. No such additional document(s), however, may alter the rights or obligations of the parties as contained in this agreement

22.15. Ambiguities Not to Be Construed against Drafter. Ambiguities found in this lease must be resolved without construing against the drafter.

22.16. No Special Relationship. The parties' relationship is an ordinary commercial relationship, and they do not intend to create the relationship of principal and agent, partnership, joint venture, or any other special relationship.

23. Public Information.

Buyer 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.

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

Tenant:

City of San Antonio, a Texas municipal corporation

Signature: _____

Printed

Name: Pat DiGiovanni

Title: Deputy City Manager

Date: 5/7/07

Attest:

Antonia
City Clerk

Approved as to Form

[Signature]
City Attorney

Landlord:

Callaghan Square Investments, Inc., a Texas business corporation

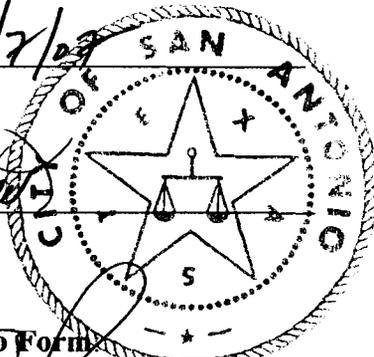
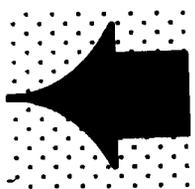
Signature: _____

Printed

Name: Dr. Michel Shapiro

Title: President

Date: March 8 2007



**CITY OF SAN ANTONIO
DEPARTMENT OF ASSET MANAGEMENT
INTERDEPARTMENTAL CORRESPONDENCE SHEET**

TO: City Manager's Office
FROM: Shawn P. Eddy, Director
COPIES: File
SUBJECT: Lease with Las Palmas for Customer Service
DATE: April 25, 2007

PROJECT TYPE: Lease with Las Palmas for Customer Service
ORDINANCE: 2007-04-19-0426
ORDINANCE DATE: April 19, 2007

BACKGROUND:

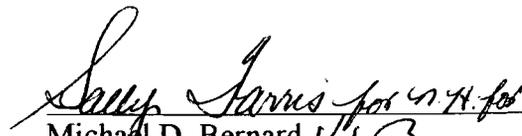
The Office of Customer Service/311 opened the Las Palmas Community Link Service Center in 1997. Las Palmas was the first service center to implement the concept of decentralizing City services to residents and offering them access to multiple City services such as payment of municipal court tickets, purchase of police reports, birth/death certificates, immunization records, garage sale permits, trade permits, pet licenses and park reservations. For fiscal year 2006, the Community Link Service Centers, as a whole, generated approximately \$8,398,742 in City revenue and assisted an average of 15,000 customers per month.

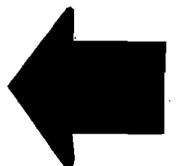
The Office of Customer Service/311 strategically placed a Community Link Service Center in Las Palmas Mall in order to reach a customer base in this part of the City in a place with high pedestrian traffic, convenience and with name recognition. This lease renewal allows the Office of Customer Service/311 to continue to provide a valuable service to the local community at a known location.

POLICY ANALYSIS:

This lease extension is consistent with the City's policy of entering into leased space to support City services for Departments in which City-owned facilities are not available or more effective to lease than own.


Shawn P. Eddy, Director
Department of Asset Management


Michael D. Bernard
City Attorney



2nd Amendment to Lease Agreement **(TCP Las Palmas Partners, Ltd.)**

This Amendment to Lease Agreement is entered into between Landlord and the City of San Antonio (Tenant).

1. Identifying Information.

Authorizing Ordinance:

Landlord: TCP Las Palmas Partners, L.P.

Landlord's Address: 8200 Brookriver Drive, Suite N610, Dallas, Texas 75247

Lease: Shopping Center Lease Agreement between Landlord and Tenant pertaining to approximately 854 square feet in the Las Palmas Shopping Center, 803 Castroville Road and authorized by the Ordinance Authorizing Original Lease

Ordinance Authorizing Original Lease: 85866, April 10, 1997

1st Amendment: First Amendment and Ratification of Lease Agreement between Landlord and Tenant and authorized by the Ordinance Authorizing 1st Amendment

Ordinance Authorizing 1st Amendment: 95631, April 18, 2002

Beginning of Renewal Term: May 1, 2007

End of Renewal Term: April 30, 2017

2. Defined Terms.

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

3. Renewal Term.

The Lease is renewed from the Beginning of the Renewal Term to the End of the Renewal Term.



4. Rent During Renewal Term.

4.01. Annual rent per square foot during the Renewal Term is:

Years 1 - 4 \$10.50

Years 5 - 8 \$11.00

Years 9 - 10 \$11.50

4.02. Rent is paid at the time, place, and intervals provided for in the Lease. In calculating rent, the amount per square foot is multiplied times 854.

5. Further Renewal.

If Landlord and Tenant can agree on rent, Tenant may renew this lease for up to two additional five-year terms. All terms of occupancy other than rent remain the same. The renewal right includes the Expansion Space provided for below.

6. Expansion Right.

6.01. On or before December 31, 2008, Tenant may expand the Demised Premises to include the adjacent space Tenant leases from Landlord on behalf of the San Antonio Police Department ("Expansion Space") by delivering written notice to Landlord. When Tenant exercises the expansion option, the Expansion Space becomes Demised Premises under this Lease.

6.02. Rent for the Expansion Space is the same per square foot as for the original portion of the Demised Premises. Rent for the Expansion Space does not begin until the sooner to occur of (a) Tenant's receipt of a certificate of occupancy for the space or (b) three months from the date of Tenant's notice.

6.03. Not later than 15 days after Tenant's notice to take down the Expansion Space, Landlord will pay to Tenant \$8 per square foot for Tenant's finishing out the Demised Premises and Expansion Space to meet Tenant's needs. If Tenant does not take down the Expansion Space by December 31, 2008, Landlord will, within 15 days of Tenant's request, pay to Tenant the same amount, measured by the square footage of the Demised Premises, toward refinishing out the Demised Premises.

6.04. In finishing out space, Tenant must replace the existing storefronts of the Demised Premises and the Expansion Space, if taken down, with Landlord's new standard storefront glass and door system.

6.05. If other space within the mall is vacant during finish out, Landlord will, without additional charge to Tenant, allow Tenant to relocate to the vacant space during the finish-out work.

6.06. Because both the function for which the Demised Premises are leased and the San Antonio Police Department are functions of Tenant, Landlord may presume that the San Antonio Police Department consents to Tenant's election to take down the Expansion Space.

7. No Default.

Neither Landlord nor Tenant is in default under the Lease and neither party is aware of a cause of action against the other arising out of or relating to the period before the date of Landlord's signature on this amendment.

8. Same Terms and Conditions.

This amendment is a fully integrated expression of the changes the parties intend to make to the Lease, as previously amended. The parties acknowledge that, except as expressly set forth in this amendment, the Lease as previously amended remains in full force and effect according to its terms, and the parties reaffirm the obligations thereof. Both Landlord and Tenant are bound thereby. Neither party is in default under the Lease as amended. There have been no amendments or other modifications to the Lease except as expressly described in this amendment.

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

Tenant:

Landlord:

City of San Antonio, a Texas municipal corporation

TCP Las Palmas Partners, Ltd., a Texas limited partnership, by and through its sole general partner

Signature: [Handwritten Signature]

TCP Las Palmas, Inc., a Texas corporation
BY: TCP REALTY SERVICES, LLC MANAGING AGENT

Printed Name: Pat Di Giovanni

Signature: [Handwritten Signature]

Title: Deputy City Manager

Printed Name: DAVID A. THOMAS

Date: 5/7/07

Title: DIRECTOR

Attest:

Date: 3.30.07

Signature: [Handwritten Signature]
City Clerk



Approved as to Form

Signature: [Handwritten Signature]
City Attorney

[Handwritten Signature]

**CITY OF SAN ANTONIO
DEPARTMENT OF ASSET MANAGEMENT
INTERDEPARTMENTAL CORRESPONDENCE SHEET**

TO: City Manager's Office
FROM: Shawn P. Eddy, Director
COPIES: File
SUBJECT: Lease with Catholic Life Insurance Building
DATE: April 25, 2007

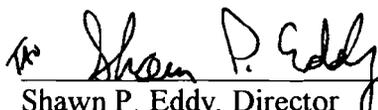
PROJECT TYPE: Lease with Catholic Life Insurance Building
ORDINANCE: 2007-04-19-0428
ORDINANCE DATE: April 19, 2007

BACKGROUND:

In 2001, the Brackenridge Parks and Recreation field office was deemed to be structurally unsound. Approximately 100 Parks and Recreation staff members were relocated under lease to the Catholic Life Insurance Building until a more suitable space was defined. The current lease agreement at the Catholic Life Insurance Building expires on April 30, 2007. The Parks and Recreation Department will be relocating these and other staff members to the Department's Operations Headquarters at the former Levi Strauss manufacturing plant upon completion of construction to the space. This lease extension will provide office space until the construction work at the Operational Headquarters is completed, anticipated to be February 2008.

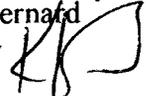
POLICY ANALYSIS:

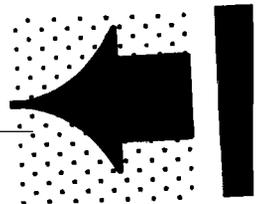
This lease extension allows for the City to provide facilities for Departments to conduct services in which City-owned facilities are not available.



Shawn P. Eddy, Director
Department of Asset Management



Michael D. Bernard
City Attorney 



Renewal and Extension of Lease Agreement

(Catholic Life Insurance Building/Parks Office)

This Renewal and Extension of Lease Agreement is between Landlord and the City of San Antonio (Tenant), under the Ordinance Authorizing Renewal and Extension.

1. Identifying Information.

Ordinance Authorizing Renewal and Extension:

Landlord: The Catholic Life Insurance Building

Landlord's Address: Office of the Building Manager, The Catholic Life Insurance Building, 1635 N.E. Loop 410, suite 600, San Antonio, Texas 78209-1625

Lease: Lease Agreement between the City of San Antonio as Tenant and The Catholic Life Insurance Building as Landlord pertaining to approximately 16,500 square feet of space in Landlord's office building located at 1635 N.E. Loop 410 and authorized by the Ordinance Authorizing Original Lease.

**Ordinance Authorizing
Original Lease:** 97509, April 24, 2003

**Beginning of Renewal
Term** May 1, 2007

**Expiration of Renewal
Term** February 29, 2008

2. Defined Terms.

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

3. Renewal and Extension

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

4. Rent.

4.01. From the Beginning of the Renewal Term to the Expiration of the Renewal Term, Tenant must pay to Landlord the following rent at the place, at the intervals, and in the manner described in the Lease for the payment of rent.

4.02. Rent is \$13.20 per rentable square foot annually through September 30, 2007. Rent is \$13.86 per rentable square foot thereafter.

5. No Default.

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

6. Same Terms and Conditions.

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

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7. Public Information.

Landlord acknowledges that this instrument is public information within the meaning of Chapter 552 of the Texas Government Code and accordingly may be disclosed to the public.

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

Tenant

Landlord

City of San Antonio a Texas municipal corporation

The Catholic Life Insurance Building

By: 

By: Ramiro A. Flores

Printed Name: Pat D. Giovanni

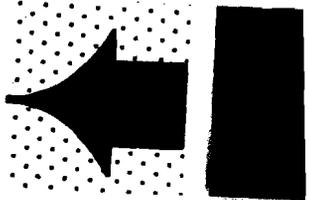
Printed Name: RAMIRO A. FLORES

Title: Deputy City Manager

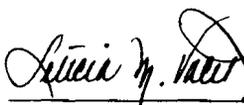
Title: PROPERTY / LEASING MGR.

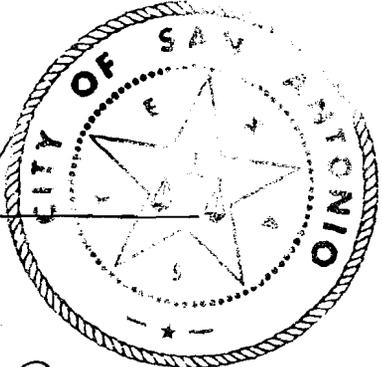
Date: 5/2/07

Date: 4-9-07

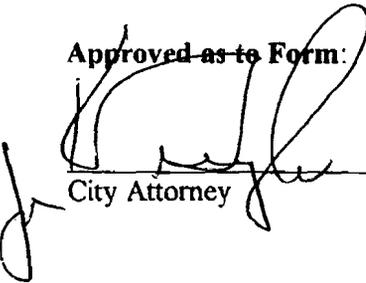


Attest:


City Clerk



Approved as to Form:


City Attorney

CITY OF SAN ANTONIO

**DEPARTMENT OF ASSET MANAGEMENT
INTERDEPARTMENTAL CORRESPONDENCE SHEET**

TO: City Manager's Office
FROM: Shawn P. Eddy, Director of Asset Management
COPIES: File
SUBJECT: Renewal and Extension of Lease Agreement between the City of San Antonio and SW Diagnostic Building, Inc.

DATE: April 24, 2007

PROJECT TYPE: Renewal and Extension of Lease Agreement

ORDINANCE: 2007-04-19-0429

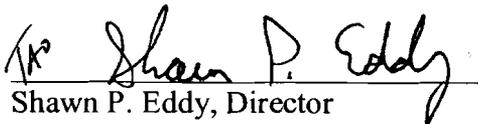
ORDINANCE DATE: April 19, 2007

BACKGROUND:

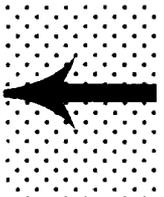
Ordinance No. 2007-04-19-0429 dated April 19, 2007 authorized the execution of a Renewal and Extension of Lease Agreement with SW Diagnostic Building, Inc. for 1,000 square feet of leased space located at 102 Palo Alto Rd., Suite 460, for the District 4 Constituent Office. The terms of the lease renewal allow for the continued rental rate of \$1,000 per month commencing of May 1, 2007 through April 30, 2009 and authorizes one two-year renewal period, subject to City Council approval and contingent upon appropriation of funds. Councilman Perez has the continued need for field office space in District 4. A copy of Ordinance No. 2007-04-19-0429 is attached.

POLICY ANALYSIS:

This action is consistent with the City's policy to provide a District Field Office for each councilperson to provide space in which to conduct business and meet constituents.


Shawn P. Eddy, Director
Department of Asset Management


Michael Bernard, City Attorney

Renewal and Extension of Lease Agreement

(District 4 Constituent Office Lease)

This Renewal and Extension of Lease Agreement is between Landlord and the City of San Antonio ("Tenant").

1. Identifying Information.

**Ordinance Authorizing
Renewal and Extension:** 2007-04-19-0429

Landlord: SW Diagnostic Building, Inc.

Landlord's Address: 88 Briggs Avenue, Suite 260, San Antonio, Texas 78224

Lease: Lease Agreement (Council District 4 Constituent Office)
between Landlord and Tenant and authorized by the Ordinance
Authorizing Original Lease

**Ordinance Authorizing
Original Lease:** 100752, April 21, 2005

**Beginning of Renewal
Term:** May 1, 2007

**Expiration of Renewal
Term:** April 30, 2009

2. Defined Terms.

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

3. Renewal and Extension.

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

4. Rent.

Rent remains at \$1,000 a month throughout the Renewal Term.

5. Additional Renewal Term.

If Tenant gives Landlord at least 30 days, prior written notice, Tenant may renew this lease again for an additional two-year term. The terms and conditions of the additional renewal will be the same as for this renewal, except that the parties must mutually agree on rent for the additional renewal term.

6. No Default.

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

7. Same Terms and Conditions.

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

8. Public Information.

Landlord acknowledges that this instrument is public information within the meaning of Chapter 552 of the Texas Government Code and may be disclosed to the public.

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

Tenant

Landlord

City of San Antonio, a Texas municipal corporation

S.W. Diagnostic Building, Inc., a Texas business corporation

By: [Signature]

By: [Signature]

Printed Name: Pat DiGiorganni

Printed Name: SUREN KAMATH

Title: Deputy City Manager

Title: President

Date: 5/7/07

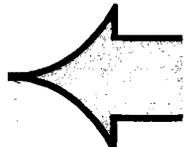
Date: 3/06/07

Attest:

[Signature]
City Clerk

Approved as to Form

[Signature]
City Attorney



MEETING OF THE CITY COUNCIL

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

AGENDA ITEM NUMBER: 21

DATE: MAR 29 2007

MOTION: _____

ORDINANCE NUMBER: _____

RESOLUTION NUMBER: 2007 - 03 - 29 - 0321

ZONING CASE NUMBER: _____

TRAVEL AUTHORIZATION: _____

ROGELIO V. GONZALEZ District 1			
SHERIA D. MCNEEL District 2			
ROLAND GUTIERREZ District 3			
RICHARD PEREZ District 4			
PATTI RAMEE District 5			
DELICIA HERRERA District 6			
ELENA GONZALEZ District 7			
ART A. HALL District 8			
KEVIN A. THOMPSON District 9			
CHRISTOPHER "CHIP" HAASS District 10			
PHIL HANSEN Mayor			

CONSENT AGENDA