ORDINANCE

2022 - 01 - 13 - 0009

RENEWING A FIVE-YEAR RIVER WALK PATIO AND BALCONY LEASE WITH LANDRY'S SEAFOOD INN AND OYSTER BAR – SAN ANTONIO, INC.

WHEREAS, on October 20, 2011, City Council approved a lease agreement for 1,550 square feet of River Walk patio space with Landry's Seafood Inn and Oyster Bar – San Antonio, Inc. for outdoor dining alongside the San Antonio River; and

WHEREAS, a lease amendment to use a 293.9 square foot balcony that occupies River Walk airspace for dining purposes was effective retroactively to January 1, 2012, and valid through October 31, 2016; and

WHEREAS, this Ordinance authorizes the second renewal of the lease agreement; and

WHEREAS, during the renewal term, the monthly rental rate is \$2.70 per square foot for patio space and \$2.22 per square foot for balcony airspace generating annual revenue of \$58,049.50 and increasing 2.5% annually; and

WHEREAS, the lease extension expires on October 31, 2026, with two options to extend for up to five years each; **NOW THEREFORE**:

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

SECTION 1. The City Manager or designee, or the Director of the Center City Development and Operations Department or designee, is authorized to execute the Second Amendment to the River Walk patio lease agreements with Landry's Seafood Inn and Oyster Bar for outdoor dining alongside the San Antonio River Walk. A copy of the Second Amendment, in substantially final form, is attached hereto and incorporated herein for all purposes as **Attachment I.**

SECTION 2. Funds received for this Ordinance for space lease be deposited in Fund 29093000, WBS Element OR-00001-01-01-01 and General Ledger 4407711.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer 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.

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 13th day of January, 2022.

M A Y O R
Ron Nirenberg

ATTEST:

Debbie Racca-Sittre, Acting City Clerk

APPROVED AS TO FORM:

Andrew Segovia, City Attorney



City of San Antonio

City Council Meeting January 13, 2022

14.

2022-01-13-0009

Ordinance renewing a five-year River Walk Patio and Balcony Lease with Landry's Seafood Inn and Oyster Bar – San Antonio, Inc. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development & Operations]

Councilmember Rocha Garcia moved to Approve on the Consent Agenda. Councilmember Cabello Havrda seconded the motion. The motion carried by the following vote:

Aye:

Nirenberg, Bravo, McKee-Rodriguez, Viagran, Rocha Garcia, Castillo, Cabello

Havrda, Sandoval, Pelaez, Courage, Perry

ATTACHMENT I

Second Amendment of Riverwalk Lease Agreement

(Landry's Seafood Inn & Oyster Bar - San Antonio, Inc. dba Landry's Seafood House)

This Second Amendment of the Riverwalk Lease Agreement is between Lessee and the City of San Antonio ("Lessor"), pursuant to the Ordinance Authorizing Renewal.

1. Identifying Information.

Lessee:

Landry's Seafood Inn & Oyster Bar - San Antonio, Inc. dba

Landry's Seafood House

Lessee's Address:

1510 West Loop South, Houston, Texas, 77027

(Attention: General Counsel)

Lease:

River Walk Patio Lease between Lessor and Lessee pertaining to

1,550 square feet of patio space and 293.9 square feet of balcony

space adjacent to the San Antonio River.

Ordinance Authorizing

Original Lease:

2011-10-20-0857

Ordinance Authorizing

First Renewal:

2012-01-12-0007

Ordinance Authorizing

Second Renewal:

Beginning of Second

Renewal Term:

November 1, 2021

Expiration of Second

Renewal Term:

October 31, 2026

2. Defined Terms.

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

3. Term.

- 3.1 Subject to the earlier termination as hereinafter set forth, the term of this Lease is for a period of *five* (5) years, beginning on November 1, 2021, and ending on October 31, 2026.
- 3.2 RENEWAL OPTION: As long as LESSEE is not then in default hereunder, CITY and LESSEE may mutually agree to extend this Lease for up to and including two (2) additional terms of five (5) years under all the terms and conditions of this Lease, except for rent and insurance which may be adjusted with fair market rental rate and insurance coverages and amounts deemed appropriate by City for subject property. To extend agreement, LESSEE shall notify CITY in writing at least ninety (90) calendar days before the date of expiration of the original term, hereof, of its intent to extend the Lease term herein provided. After agreement to the exercise of the option to extend, all references in this Lease to the term, hereof shall mean the term as extended. Provided LESSEE is not in default and LESSEE is agreeable to changes in rent and insurance, if any, for the

extended terms, City through the Director may authorize lease extensions. Rent for the renewal term shall be based upon a Fair Market Value Study to be conducted by CITY.

4. Rental.

Sections 4.1 - 4.2 of the lease are deleted in their entirety and replaced with the following:

- 4.1 The monthly rental shall be \$2.70 per square foot per month for the River Walk Patio and \$2.22 per square foot per month for the Balcony for first lease year of the Renewal Term and shall increase by a rate of two and a half percent (2.50%) per square foot 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 11/01/2021 10/31/2022 (RW Patio: \$2.70 per square foot per month): \$4,185.00 per month; (Balcony: \$2.22 per square foot per month): \$652.46 per month or payable in one lump sum in advance: \$58,049.50.
 - 4.1.2 11/01/2022 10/31/2023 (RW Patio: \$2.77 per square foot per month): \$4,293.50 per month; (Balcony: \$2.28 per square foot per month): \$670.09 per month or payable in one lump sum in advance: \$59,563.10.
 - 4.1.3 11/01/2023 10/31/2024 (RW Patio: \$2.84 per square foot per month): \$4,402.00 per month; (Balcony: \$2.34 per square foot per month): \$687.73 per month or payable in one lump sum in advance: \$61,076.71.
 - 4.1.4 11/01/2024 10/31/2025 (RW Patio: \$2.91 per square foot per month): \$4,510.50 per month; (Balcony: \$2.40 per square foot per month): \$670.09 per month or payable in one lump sum in advance: \$62,590.32.
 - 4.1.5 11/01/2025 10/31/2026 (RW Patio: \$2.98 per square foot per month): \$4,619.00 per month; (Balcony: \$2.46 per square foot per month): \$670.09 per month or payable in one lump sum in advance: \$64,103.93.
- 4.2 From the Beginning of the Renewal Term to the Expiration of the Renewal Term, Lessee must pay Rent 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

6. Same Terms and Conditions.

6.1 This renewal instrument is a fully integrated statement of the modifications to the Lease. Except as expressly modified by this renewal, 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.

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	Landry's Seafood Inn & Oyster Bar – San Antonio, Inc. dba Landry's Seafood House
Signature	Signature Steven L. Scheinthal
Printed Name	Printed Name Vice President
Title	Legal
Date	Vice President Title
ATTEST:	Date 1510 West Loop South
City Clerk	Address
APPROVED AS TO FORM:	Honston, TY 77027 City, State, and Zip Code
City Attorney	Area Code/Telephone Number