

101878

AN ORDINANCE

**AUTHORIZING LEASE AGREEMENTS WITH CLEAR CHANNEL BROADCASTING, INC., THE SAN ANTONIO EXPRESS-NEWS, AND TEXAS INFINITY BROADCASTING, L.P. FOR OFFICE SPACE IN CITY HALL, THE LEASES CALLING FOR RENT AT \$16.85 PER SQUARE FOOT, HAVING TWO YEAR TERMS BEGINNING JANUARY 1, 2006, AND PROVIDING FOR RENEWALS AT MARKET RATES.**

\* \* \* \* \*

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

**SECTION 1.** The City Manager or her designee is hereby authorized and directed to execute and deliver on behalf of the City lease agreements with the San Antonio Express-News, Texas Infinity Broadcasting, L.P., and Clear Channel Broadcasting, Inc. or with entities related to those companies. The lease agreements must be for office space at the mezzanine level of City Hall, call for rent at \$16.85 a square foot, have two-year terms beginning January 1, 2006, and provide for renewals at market rates. The lease agreements must otherwise be in content satisfactory to the Director of Asset Management and in form satisfactory to the City Attorney.

**SECTION 2.** The proceeds of this Lease will be deposited into Fund 11001000 entitled the "General Fund," Internal Order 224000000001, entitled "Lease Management," and General Ledger Account 4401110, entitled "Lease - Rental of City Buildings."

**SECTION 3.** 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.

**SECTION 4.** This ordinance shall become effective December 25, 2005 unless it receives the eight votes requisite to immediate effectiveness under San Antonio Municipal Code § 1-15, in which case it shall be effective immediately.

**PASSED AND APPROVED** this 15<sup>th</sup> day of December, 2005.



M A Y O R

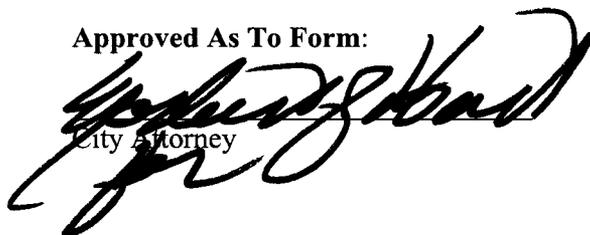
**PHIL HARDBERGER**

Attest:



\_\_\_\_\_  
City Clerk

Approved As To Form:



\_\_\_\_\_  
City Attorney

# Agenda Voting Results

**Name:** 40.

**Date:** 12/15/05

**Time:** 03:14:49 PM

**Vote Type:** Multiple selection

**Description:** An Ordinance authorizing lease agreements with Clear Channel Radio, Inc., the San Antonio Express-News, and Texas Infinity Broadcasting, L.P. for office space in City Hall, the leases calling for rent at \$16.85 per square foot, having two year terms beginning January 1, 2006, and providing for renewals at market rates. [Presented by Rebecca Waldman, Director, Asset Management; Erik J. Walsh, Assistant to the City Manager]

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		

**CITY OF SAN ANTONIO  
DEPARTMENT OF ASSET MANAGEMENT  
CITY COUNCIL AGENDA MEMORANDUM**

COMMITTEE AGENDA  
ITEM NO. **40**

**TO:** Mayor and City Council

**FROM:** Rebecca P. Waldman, Director of Asset Management

**SUBJECT:** Ordinance authorizing lease agreements with Clear Channel Radio, Inc.; San Antonio Express-News; and Infinity Broadcasting Corporation; for office space on the 2<sup>nd</sup> floor mezzanine at City Hall

**DATE:** December 15, 2005

**SUMMARY AND RECOMMENDATIONS**

This ordinance authorizes the approval of lease agreements with Clear Channel Radio, Inc. (WOAI); San Antonio Express-News; and Texas Infinity Broadcasting, L.P. (KTSA); for the use of office space located on the 2<sup>nd</sup> floor mezzanine at City Hall, each with 2 year terms commencing on January 1, 2006 and terminating on December 31, 2007, for a rental rate of \$16.85 per square foot and provides a three year renewal for each lease at market rates for the years beginning January 1, 2008 and ending December 31, 2010.

Staff recommends approval of this ordinance.

**BACKGROUND INFORMATION**

Since 1992, the City has leased space on the 2<sup>nd</sup> floor mezzanine of City Hall to Clear Channel Radio, Inc. (WOAI), the Hearst Corporation, now San Antonio Express-News, and Waterman Broadcasting Corporation, now Texas Infinity Broadcasting L.P. (KTSA). The leases will be expiring in December 2005. The Tenants have all expressed the desire to execute new leases with the City of San Antonio.

All three leases have a 2-year term commencing January 1, 2006 through December 31, 2007 with a 3-year renewal at market rent rates for years 2008 through 2010.

The lease allows the Landlord with a thirty (30) day written notice to designate different space in City Hall to serve as the Premises. However, alternative space must be approximately the same size and the rent will be the same amount per square foot as the original space. Tenant will have the choice of terminating the lease or accepting the "new premises" within 30 days of such notice.

The business points specific to each lease are attached as Exhibit "B". A floor plan of City Hall's 2<sup>nd</sup> floor Mezzanine is attached as Exhibit "C".

**POLICY ANALYSIS**

This ordinance is consistent with the City's policy to generate revenue through the leasing of City owned properties.

## FISCAL IMPACT

The rental rate is \$16.85 per square foot per year payable in advance at the beginning of each lease year for the first two years. The total rent from all three leases to the City for the first two years will be approximately \$12,098. The Tenant will have the option to renew the leases at current market rates for another three years. If rent rates were to remain the same throughout the five years, the total rent generated for the leased space would be approximately \$30,246.

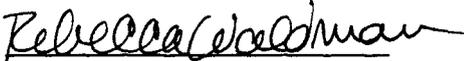
Clear Channel Radio, Inc. is leasing 71 square feet and will pay \$1,199 rent per year. Texas Infinity Broadcasting, L.P. is leasing 110 square feet and will pay \$1,854 rent per year. The San Antonio Express-News is leasing 178 square feet, and will pay \$2,999 rent per year.

## COORDINATION

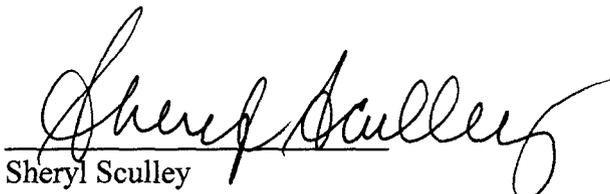
This request for ordinance has been coordinated with the City Attorney's Office.

## SUPPLEMENTARY COMMENTS

The Discretionary Contracts Disclosure Form required by the Ethics Ordinance is attached as Exhibit "A".

  
Rebecca P. Waldman  
Director of Asset Management

  
Erik J. Walsh  
Assistant to the City Manager

  
Sheryl Sculley  
City Manager

City of San Antonio

Discretionary Contracts Disclosure

For use of this form, see Section 2-53.111 of the City Code (ENCS Code).  
After additional sheets, 100% provided is not sufficient.

(1) Identify any individual or business entity that is a party to the discretionary contract.

Clear Channel Broadcasting, Inc.

(2) Identify any individual or business entity which is a partner, parent or subsidiary business entity, of any individual or business entity identified above in Box (1).

No partner, parent or subsidiary; or

List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

See Attachment A

(3) Identify any individual or business entity that would be a subcontractor on the discretionary contract.

No subcontractor(s); or

List subcontractors:

(4) Identify any lobbyist or public relations firm employed by any party to the discretionary contract for purposes related to seeking the discretionary contract.

No lobbyist or public relations firm employed; or

List lobbyists or public relations firms:

A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law. A sole proprietor should list the name of the individual and the date, if any.

CGSA Form 0500312 09 17 07 Revised 04/07/07

**(5) Political Contributions**

List all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made to any *current* or *former* member of City Council, any candidate for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under Box (1), (2), or (3) above, or by the officers, owners of any business entity listed in Box (1), (2) or (3).

No contributions made; If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:

**(6) Disclosures in Proposals**

Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question<sup>1</sup> as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code) ("conflicts of interest") by participating in official action relating to the discretionary contract.

Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

This form is required to be supplemented in the event there is any change in the information before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature:



Title: VP/MM

Date:

Company or D/B/A:

11/28/05

Clear Channel  
Broadcasting

<sup>1</sup> For purposes of this rule, facts are reasonably understood to raise a question about the appropriateness of a contract if a disinterested person would conclude that the facts, if true, would require careful consideration of whether a contract is required.

Attachment A

Parent of Clear Channel Broadcasting, Inc.:

Clear Channel Broadcasting Licenses, Inc.

Subsidiaries of Clear Channel Broadcasting, Inc.:

Clearmart, Inc.

Bel Meade Broadcasting Company, Inc.

Clear Channel Wireless, Inc.

CC ARN, LLC – sole member

Terrestrial RF Licensing, Inc.

Clear Channel Company Store, Inc.

SEVAH, LLC – sole member

CCBL FCC Holdings, Inc.

CCBL GP, LLC – sole member

## City of San Antonio Discretionary Contracts Disclosure

*For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)  
Attach additional sheets if space provided is not sufficient.*

**(1) Identify any individual or business entity<sup>1</sup> that is a party to the discretionary contract:**

not applicable

**(2) Identify any individual or business entity which is a partner, parent or subsidiary business entity, of any individual or business entity identified above in Box (1):**

No partner, parent or subsidiary; or

List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

not applicable

**(3) Identify any individual or business entity that would be a subcontractor on the discretionary contract:**

No subcontractor(s); or

List subcontractors:

not applicable

**(4) Identify any lobbyist or public relations firm employed by any party to the discretionary contract for purposes related to seeking the discretionary contract.**

No lobbyist or public relations firm employed; or

List lobbyists or public relations firms:

not applicable

<sup>1</sup> A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law. A sole proprietor should list the name of the individual and the d/b/a, if any.

**(5) Political Contributions**

List all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made to any *current or former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under Box (1), (2), (3) or (4) above, or by the officers, owners of any business entity listed in Box (1), (2) or (3):

No contributions made; If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
none			

**(6) Disclosures in Proposals**

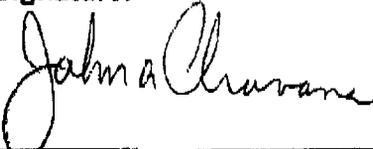
Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question<sup>2</sup> as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code) ("conflicts of interest") by participating in official action relating to the discretionary contract.

Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

not applicable

This form is required to be supplemented in the event there is any change in the information before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

<b>Signature:</b> 	<b>Title:</b> Director of Finance Company or D/B/A: San Antonio Express-News	<b>Date:</b> 11-18-05
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<sup>2</sup> For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

### City of San Antonio Discretionary Contracts Disclosure

For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)  
Attach additional sheets if space provided is not sufficient.

(1) Identify any individual or business entity<sup>1</sup> that is a **party** to the discretionary contract.

KTSA/KSRX

(2) Identify any individual or business entity which is a **partner, parent** or **subsidiary** business entity, of any individual or business entity identified above in Box (1):

No partner, parent or subsidiary; or  
List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

(3) Identify any individual or business entity that would be a **subcontractor** on the discretionary contract.

No subcontractor(s); or  
List subcontractors:

(4) Identify any **lobbyist** or **public relations firm** employed by any party to the discretionary contract for purposes related to seeking the discretionary contract.

No lobbyist or public relations firm employed; or  
List lobbyists or public relations firms:

<sup>1</sup> A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law. A sole proprietor should list the name of the individual and the d/b/a, if any.

**(5) Political Contributions**

List all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under Box (1), (2), (3) or (4) above, or by the officers, owners of any business entity listed in Box (1), (2) or (3):

No contributions made; If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:

**(6) Disclosures In Proposals**

Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question<sup>2</sup> as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), ("conflicts of interest") by participating in official action relating to the discretionary contract.

Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

This form is required to be supplemented in the event there is any change in the information before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature: 	Title: VP/Market Manager Company or D/B/A: KTSA	Date: November 28, 2005
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<sup>2</sup> For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

## Summary - Media Leases

### Clear Channel Radio (WOAI), Texas Infinity Broadcasting L.P. (KTSA), and the San Antonio Express-News

#### TERM

- 2 year Lease commencing January 1, 2006 through December 31, 2007

#### RENT

- Rent will remain the same for the first two years of initial lease
- Rent is due annually on January 1<sup>st</sup>

#### OPTIONS

- Landlord will have the right to relocate Tenant with like-kind space
- Landlord and Tenant will have the right to terminate with 30 day notice
- Tenant will have the right to renew for 3 years (January 1, 2008 – December 31, 2010) at market rate

#### Clear Channel Radio (WOAI) (Room E)

- January 1, 2006 through December 31, 2007
- 71 square feet of leased space
- \$16.85 per square foot per year/\$1.40 per foot per month
- \$1,199.22 rent per year

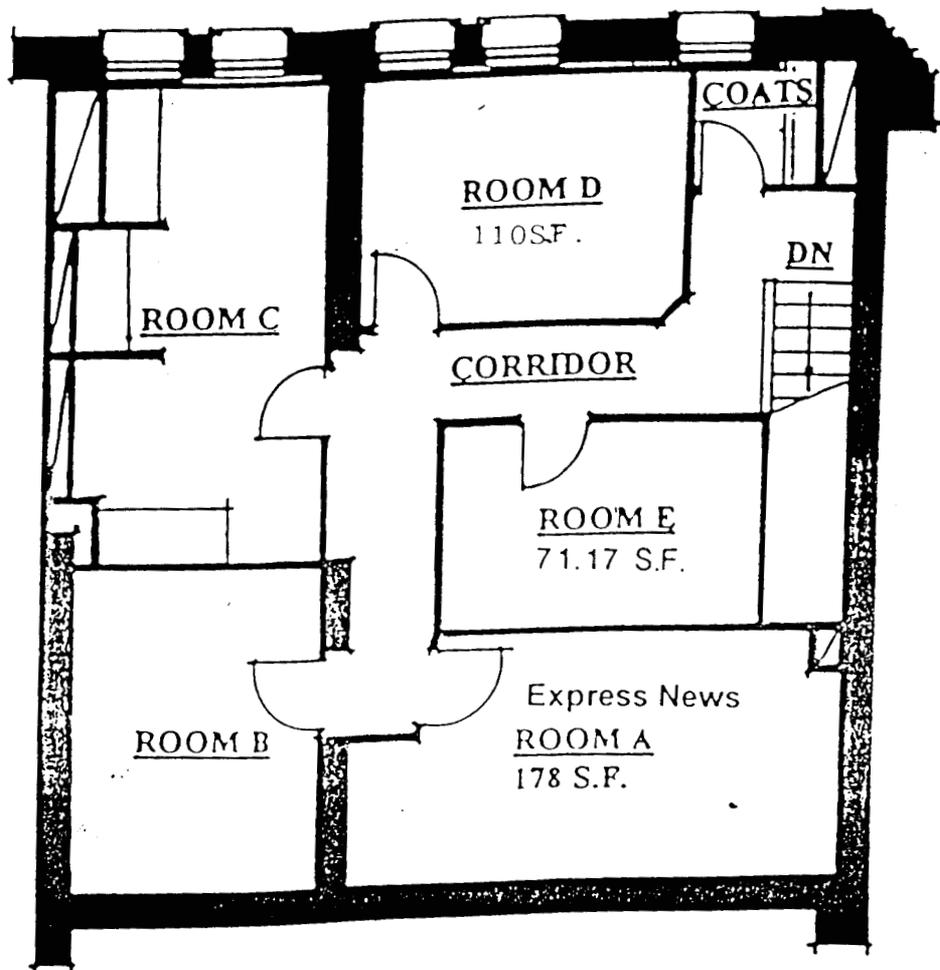
#### Texas Infinity Broadcasting L.P. (KTSA) (Room D)

- January 1, 2006 through December 31, 2007
- 110 square feet of leased space
- \$16.85 per square foot per year/\$1.40 per foot per month
- \$1,853.50 rent per year

#### San Antonio Express News (Room A)

- January 1, 2006 through December 31, 2007
- 178 square feet of leased space
- \$16.85 per square foot per year/\$1.40 per foot per month
- \$2,999.30 rent per year

### **Exhibit "B"**



CITY HALL - SECOND FLOOR MEZZANINE  
PRESS ROOMS SCALE: 1/8" = 1' 0"

Exhibit "C "

DO NOT TYPE IN THIS SPACE

CITY OF SAN ANTONIO

Request For Ordinance/Resolution

Date:  
December 15, 2005

Department:  
Department of Asset Management

Contact Person/Phone #:  
Rebecca Waldman 207-7114

Date Council Consideration Requested:  
December 15, 2005

Deadline for Action:  
December 15, 2005

Dept. Head Signature  
*Rebecca Waldman*

SUMMARY OF ORDINANCE

This ordinance authorizes the approval of lease agreements with Clear Channel Radio, Inc. (WOAI); San Antonio Express-News; and Texas Infinity Broadcasting L.P. (KTSA); for the use of office space located on the 2<sup>nd</sup> floor mezzanine at City Hall, each with 2 year terms commencing on January 1, 2006 and terminating on December 31, 2007, for a rental rate of \$16.85 per square foot and provides a three year renewal for each lease at market rates for the years beginning January 1, 2008 and ending December 31, 2010.

Staff recommends approval of this ordinance.

Other Depts., Boards, Committees Involved (please specify):  
City Attorney's Office

Contract signed by other party  
Yes  No

FISCAL DATA (If Applicable)

Amount Expended  
Fund 11001000 SAP GL Account 4401110  
\*Cost Center N/A  
\*Internal Order No. 224000000001 \*WBS (Capital Proj) N/A  
*\*(Fill out only the field that is appropriate to your council action.)*

Funds/Staffing Budgeted Yes  No

Positions Currently Authorized Yes  No

Impact on future O & M

If positions added, specify Class and Job No.

Comments:

Consent Agenda  
Council District 1

Please submit 3 copies with your original