

**AMENDMENT TO  
LEASE AGREEMENT  
FOR EL MERCADO AND FARMERS MARKET**

This Amendment to the Market Square and Farmers Market Lease Agreements ("Lease") is made and entered into by and between the **CITY OF SAN ANTONIO**, a Texas Municipal Corporation, acting herein through its City Manager pursuant to Ordinance No. \_\_\_\_\_ passed and approved on the \_\_\_\_\_ day of June, 2019 (hereinafter referred to as "CITY"), and \_\_\_\_\_, DBA \_\_\_\_\_, (hereinafter referred to as "Tenant"), WITNESSESTH.

**Background:** On June 23, 2011, City Council passed Ordinance No. 2011-06-23-0571, which authorized extensions to all Farmers Market and El Mercado leases until June 30, 2014. The ordinance also provided the City the option to renew all the Farmers Market and El Mercado leases for an additional three-year period until June 30, 2017 and a subsequent two-year period until June 30, 2019. The City has exercised its options to extend the Farmers Market and El Mercado agreements until June 30, 2019.

The Parties now wish to amend the Lease to (1) extend the term and (2) to grant to Tenant a right of first refusal, as defined below, for a potential future Lease subject to new conditions, restrictions, rental rate and defined premises which will be developed as part of the proposed visioning process for Market Square.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the Parties hereby agree to amend the Lease as follows:

1. The term of the lease is hereby extended to June 30, 2023.
2. The lease rate will increase by 2% in year 3 of this extended term. Waste Collection and Storage Fees will increase 2.5% each year beginning in year 1. Lease rates may be adjusted by Director through an administrative action.
3. Tenant agrees to provide City within fifteen (15) days of month end its monthly Texas Comptroller Sales and Use Tax Report. Tenant further agrees to provide to City within sixty (60) days of lease year end an Annual Statement detailing the sales for the preceding twelve months.
4. The City of San Antonio will strive to ensure that Market Square continues to be a culturally vibrant destination and an authentic marketplace for Mexican, Latin, and international retail. The Market Square Visioning Process will be grounded in a shared understanding of the cultural legacy of El Mercado and Farmers Market. The City of San Antonio is committed to preserving the historic and cultural significance already present in the market including the small business enterprises.

5. AFTER THE INITIAL LEASE TERM, TENANT WILL HAVE THE RIGHT OF FIRST REFUSAL TO ENTER INTO A FOUR YEAR LEASE WITHIN MARKET SQUARE SUBJECT TO TERMS PROPOSED BY THE CITY THAT MAY BE DEVELOPED AS PART OF THE VISIONING PROCESS. THIS RIGHT OF FIRST REFUSAL DOES NOT GUARANTEE TENANT A RIGHT TO THE SPACE THEY ARE CURRENTLY OCCUPYING, ONLY THE RIGHT TO ENTER INTO A FOUR-YEAR LEASE AGREEMENT SUBJECT TO CITY COUNCIL APPROVAL FOR AN AVAILABLE SPACE WITHIN THE MARKET SQUARE COMPLEX. THERE IS NO GUARANTEE AS TO THE ALLOWABLE USES OR THE LEASE RATE TO BE PAID.
6. Tenant understands and agrees that lease assignments will no longer be permissible. Lessee will have option to terminate lease, and City will go through a formal public RFP process to identify new lessee to occupy the space.
7. Tenant understands and agrees to the adjusted hours of operation. The summer hours of operation for Farmers Market and El Mercado stores will be altered as follows:
  - In June through mid-August, store hours on Monday through Saturday will be 10:00 am to 7:00 pm; store hours on Sundays will be 10:00 am to 6:00 pm.
  - From mid-August through May store hours will be 10:00 am to 6:00 pm. Tenants are allowed to request extended hours of operation for special events.

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**EXECUTED IN DUPLICATE ORIGINALS**, each of which shall have the full force and effect of an original this the \_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF SAN ANTONIO**

**TENANT**

By: \_\_\_\_\_  
John Jacks  
Director  
Center City Development  
& Operations

By: \_\_\_\_\_  
Name:  
Title:

ATTEST: \_\_\_\_\_  
Leticia Vacek  
CITY CLERK

**APPROVED AS TO FORM:**

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

