

AN ORDINANCE 2017 - 06 - 15 - 0436

APPROVING THE MARKET SQUARE LEASE ASSIGNMENTS OF CHULERIAS TO JUAN BUENDIA DBA ILUCION AND LITTLE BIT OF TEXAS #2 TO MARIA RIVERA BUSTOS DBA TURQUEZA #2.

* * * * *

WHEREAS, the City of San Antonio owns and manages Market Square, a unique and historic public market place that plays a vital role in the life, culture and economy of San Antonio; and

WHEREAS, Market Square, with a retail history dating back to the nineteenth century, provides a unique and authentic Mexican Market experience, offering retail sales, holiday celebrations, and year round entertainment; and

WHEREAS, there are 56 businesses in the Farmers Market, 33 in El Mercado and 14 in Market Square Plaza, ranging from cafes to shops specializing in local, regional and Latin American products; and

WHEREAS, 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; and

WHEREAS, the Ordinance also provided the City the option to renew all the Farmers Market and El Mercado leases, including the aforementioned lease, for an additional three-year period and until June 30, 2017 and a subsequent two-year period until June 30, 2019; and

WHEREAS, the City has subsequently extended the Farmers Market and El Mercado agreements until June 30, 2017; and

WHEREAS, for over 20 years Delia Martinez, Walter Martinez and Rosemary Martinez have had a lease to operate a store in Farmers Market specializing in women's apparel and other Mexican imports that will be assigned to Juan Buendia, who has operated a Mexican imports store in Farmers Market since 2015; and

WHEREAS, for the last 10 years Maria Trini Traylor dba Little Bit of Texas #2 has had a lease to operate a regional products and Mexican imports store in Farmers Market that will be assigned to Maria Rivera Bustos who has operated in El Mercado since 2010; and

WHEREAS, the Municipal Code provides authority for the City to assign leases when businesses are sold and establish an assignment fee of \$1,500.00 per lease assignment; and

WHEREAS, this proposed Ordinance will authorize amendments to the lease agreements with Chulerias and Little Bit of Texas #2, effectively assigning the lease agreements; **NOW THEREFORE:**

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

SECTION 1. The City Manager or her designee, or the Director of the Center City Development and Operations Department or his designee, is authorized to execute the Assignment and Amendment of the Lease Agreement with Chulerias to Juan Buendia dba Ilucion. A copy of the assignment and amendment of lease agreement, in substantially final form, is attached hereto and incorporated herein for all purposes as **Attachment I.**

SECTION 2. Funds generated by this Ordinance will be deposited into Fund 29604001, Internal Order 219000000147 and General Ledger 4406845.

SECTION 3. The City Manager or her designee, or the Director of the Center City Operations and Development Department or his designee, is authorized to execute the Assignment and Amendment of the Lease Agreement with Little Bit of Texas #2 to Maria Rivera Bustos dba Turqueza #2. A copy of the assignment and amendment of lease agreement, in substantially final form, is attached hereto and incorporated herein for all purposes as **Attachment II.**

SECTION 4. Funds generated by this Ordinance will be deposited into Fund 29604001, Internal Order 219000000146 and General Ledger 4406845.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

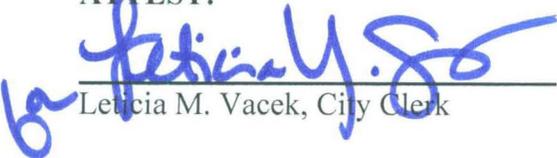
SECTION 6. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 15th day of June, 2017.

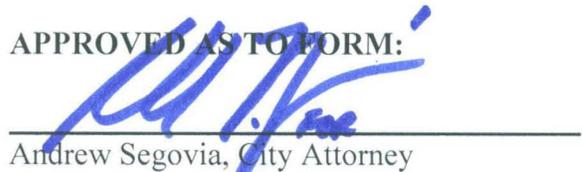


M A Y O R
Ivy R. Taylor

ATTEST:


Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:


Andrew Segovia, City Attorney

Agenda Item:	9 (in consent vote: 4, 5, 6, 7, 9, 10, 11A, 11B, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35A, 35B)						
Date:	06/15/2017						
Time:	09:32:16 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance approving the Market Square lease assignments of Chulerias to Juan Buendia dba Ilucion and Little Bit of Texas #2 to Maria Rivera Bustos dba Turqueza #2. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development and Operations Department]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x			x	
Alan Warrick	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Ana E. Sandoval	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				x

**ASSIGNMENT AND AMENDMENT OF LEASE AGREEMENT
FARMERS MARKET AREA NUMBER S-3
(WITH LANDLORD'S CONSENT)**

This ASSIGNMENT AND AMENDMENT TO LEASE AGREEMENT ("**Agreement**") is hereby made and entered into by and between CITY OF SAN ANTONIO, a Texas municipal corporation and Landlord of the subject property ("**CITY**"), acting by and through its City Manager, and DELIA MARTINEZ, WALTER MARTINEZ, and ROSEMARY MARTINEZ (collectively "**TENANT**" / "**ASSIGNOR**"), D/B/A CHULERIAS ("**CHULERIAS**").

WHEREAS, effective May 20, 2010, CITY entered into that certain Lease Agreement ("**LEASE**") with TENANT for the lease of the following described tract or parcel of real property situated in Farmers Market at Market Square, San Antonio, Bexar County, Texas to-wit:

A portion of the real property and improvements owned by CITY located at 612 W. Commerce Street, San Antonio Bexar County, Texas within the area commonly known as El Mercado at Market Square (said real property and improvements hereinafter referred to as the "**Leased Premises**"). Said Leased Premises contain approximately 228 square feet and is identified as area number S-3; and

WHEREAS, TENANT desires, as ASSIGNOR, to convey and assign TENANT's leasehold interest under the LEASE to JUAN BUENDIA ("**ASSIGNEE**"), D/B/A IIUCION ("**ILUCION**"); and

WHEREAS, said assignment requires the prior approval of CITY; and

WHEREAS, ASSIGNEE desires to assume from ASSIGNOR all of ASSIGNOR's rights, title, and interest as tenant in and to the LEASE, and all of ASSIGNOR's benefits and obligations thereunder; and

WHEREAS, ASSIGNEE has satisfied CITY that they are financially able to undertake the obligations of tenant under said LEASE, and CITY desires to give its consent to ASSIGNOR's assignment of ASSIGNOR's interest in the LEASE to ASSIGNEE and to ASSIGNEE's assumption of TENANT's obligations thereunder; and

WHEREAS, amending the LEASE is in CITY's and TENANT's best interest.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, the Parties agree as follows:

1. **CONVEYANCE AND ASSIGNMENT**: ASSIGNOR does hereby grant, bargain, sell, convey, assign, transfer, set over, and deliver to ASSIGNEE, all of ASSIGNOR's rights, title, and interest in and to the LEASE, including and also without limitation, all of the rights, duties, obligations, and liabilities of ASSIGNOR in, to, and under the LEASE to pay rent and to observe and perform all other covenants and duties of TENANT thereunder.
2. **ASSUMPTION**: By its execution hereof, ASSIGNEE hereby assumes and agrees to perform all of the terms, covenants, and conditions of the LEASE on the part of the

TENANT therein required to be performed arising from and after the date hereof, and ASSIGNEE releases ASSIGNOR from all liability for such obligations.

ASSIGNEE hereby accepts the assignment of said ASSIGNOR's rights, title, and interest in and to the LEASE; and ASSIGNEE recognizes the superior fee title in and to the land and premises held by the CITY, as Landlord, and CITY's right of reversion at the end of the LEASE term, whether occasioned by default or passage of time, as well as, the rights and benefits of every description whatsoever belonging to or accruing to the benefits of CITY under the LEASE.

3. **REPRESENTATION AND WARRANTIES:** ASSIGNOR and ASSIGNEE represent and warrant that the following statements are true.

Effective July 1, 2017, ASSIGNEE will be the exclusive owner of the business, formerly owned by ASSIGNOR and operating as "CHULERIAS". ASSIGNEE will take full control of the business effective July 1, 2017 and will operate as "ILUCION".

ASSIGNOR will not have any ownership or serve as employee or agent in the new enterprise operating from the premises. ASSIGNORS will have no authority, financial or otherwise, in the new enterprise operating from the premises.

In the event that any such representations and warranties are found by CITY not to be true, then CITY shall have authority to revoke its consent to this Agreement and terminate the LEASE without allowing ASSIGNOR or ASSIGNEE an opportunity to cure.

4. **USE AND CARE OF PREMISES:** ASSIGNEE agrees that that the Leased Premises shall be utilized for the sole purpose of retail sales of the following products:

- Seasonal and denim fashions
- Denim Fashions
- Fashion knit tops blouses and skirts and dresses
- Jackets and vests
- Fashion accessories to include belts, buckles and costume jewelry
- Boots and sandals
- Leggings, sarong wraps, scarves and shawls
- Tiles, tile mirrors
- Mexican Tin Décor, including, but not limited to stars
- Unique Mexican folk art
- Glassware sets
- Tableware/linens

5. **AMENDING USE AND CARE OF PREMISES:** Section 2.4 of LEASE is amended to include the following provisions:

2.4.1 Further, **TENANT** covenants and agrees, in keeping with the intent and spirit of El Mercado and Market Square, to operate the business conducted on the **Leased Premises** in an "**OWNER PRESENCE**" capacity, physically participating in the day-to-day operations of **TENANT'S** business, as opposed to employing a non-owner manager

of said premises, hence an "absentee owner" posture, unless such management is first approved by the Interim Director of the Center City Development and Operations Department, or his designee. Failure to operate the business on the **Leased Premises** in such a manner will constitute an act of default hereunder and will be grounds, at **CITY'S** option to terminate this Lease Agreement upon ten (10) days written notice to **TENANT**.

7. **ACKNOWLEDGEMENT OF READING:** The Parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received whatsoever competent advice and counsel which was necessary for them to form a full and complete understanding of their rights and obligations herein, and having done so, do hereby execute this Agreement.

[Signature page to follow.]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of July 1, 2017.

ASSIGNOR:

Delia Martinez
Delia Martinez,
d/b/a Chulerias

Walter Martinez
Walter Martinez,
d/b/a Chulerias

Rosemary Martinez
Rosemary Martinez,
d/b/a Chulerias

DATE: 5-16-17

LANDLORD:
CITY OF SAN ANTONIO,
a Texas municipal corporation

City Manager

APPROVED AS TO FORM:

Andrew Segovia
City Attorney

ASSIGNEE:

Juan Buendia
Juan Buendia,
d/b/a Ilucion

407 Springwood Ln
Address

San Antonio, Texas 78216
City, State, Zip Code

(210) 716-3437
Business Telephone Number

(210) 716-5141
Other Telephone Number

a-buendia11@hotmail.com
Email Address

DATE: 5-15-17

ATTEST:

Leticia M. Vacek
City Clerk

**ASSIGNMENT AND AMENDMENT OF LEASE AGREEMENT
EL MERCADO AREA NUMBER S-3
(WITH LANDLORD'S CONSENT)**

This ASSIGNMENT AND AMENDMENT TO LEASE AGREEMENT ("**Agreement**") is hereby made and entered into by and between CITY OF SAN ANTONIO, a Texas municipal corporation and Landlord of the subject property ("**CITY**"), acting by and through its City Manager, and MARIA TRINI TRAYLOR (collectively "**TENANT**"/"**ASSIGNOR**"), D/B/A LITTLE BIT OF TEXAS #2 ("**LITTLE BIT OF TEXAS #2**").

WHEREAS, effective August 30, 2016, CITY entered into that certain Lease Agreement ("**LEASE**") with TENANT for the lease of the following described tract or parcel of real property situated in Farmers Market at Market Square, San Antonio, Bexar County, Texas to-wit:

A portion of the real property and improvements owned by CITY located at 514 W. Commerce Street, San Antonio Bexar County, Texas within the area commonly known as El Mercado at Market Square (said real property and improvements hereinafter referred to as the "**Leased Premises**"). Said Leased Premises contain approximately 717 square feet and is identified as area number S-3; and

WHEREAS, TENANT desires, as ASSIGNOR, to convey and assign TENANT's leasehold interest under the LEASE to MARIA RIVERA BUSTOS ("**ASSIGNEE**"), D/B/A ("**Turqueza #2**"); and

WHEREAS, said assignment requires the prior approval of CITY; and

WHEREAS, ASSIGNEE desires to assume from ASSIGNOR all of ASSIGNOR's rights, title, and interest as tenant in and to the LEASE, and all of ASSIGNOR's benefits and obligations thereunder; and

WHEREAS, ASSIGNEE has satisfied CITY that they are financially able to undertake the obligations of tenant under said LEASE, and CITY desires to give its consent to ASSIGNOR's assignment of ASSIGNOR's interest in the LEASE to ASSIGNEE and to ASSIGNEE's assumption of TENANT's obligations thereunder; and

WHEREAS, amending the LEASE is in CITY's and TENANT's best interest.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth below, the Parties agree as follows:

1. **CONVEYANCE AND ASSIGNMENT**: ASSIGNOR does hereby grant, bargain, sell, convey, assign, transfer, set over, and deliver to ASSIGNEE, all of ASSIGNOR's rights, title, and interest in and to the LEASE, including and also without limitation, all of the rights, duties, obligations, and liabilities of ASSIGNOR in, to, and under the LEASE to pay rent and to observe and perform all other covenants and duties of TENANT thereunder.
2. **ASSUMPTION**: By its execution hereof, ASSIGNEE hereby assumes and agrees to perform all of the terms, covenants, and conditions of the LEASE on the part of the

TENANT therein required to be performed arising from and after the date hereof, and ASSIGNEE releases ASSIGNOR from all liability for such obligations.

ASSIGNEE hereby accepts the assignment of said ASSIGNOR's rights, title, and interest in and to the LEASE; and ASSIGNEE recognizes the superior fee title in and to the land and premises held by the CITY, as Landlord, and CITY's right of reversion at the end of the LEASE term, whether occasioned by default or passage of time, as well as, the rights and benefits of every description whatsoever belonging to or accruing to the benefits of CITY under the LEASE.

3. **REPRESENTATION AND WARRANTIES:** ASSIGNOR and ASSIGNEE represent and warrant that the following statements are true.

Effective July 1, 2017, ASSIGNEE will be the exclusive owner of the business, formerly owned by ASSIGNOR and operating as "LITTLE BIT OF TEXAS #2". ASSIGNEE will take full control of the business effective July 1, 2017 and will operate as "Turqueza #2".

ASSIGNOR will not have any ownership or serve as employee or agent in the new enterprise operating from the premises. ASSIGNORS will have no authority, financial or otherwise, in the new enterprise operating from the premises.

In the event that any such representations and warranties are found by CITY not to be true, then CITY shall have authority to revoke its consent to this Agreement and terminate the LEASE without allowing ASSIGNOR or ASSIGNEE an opportunity to cure.

- **USE AND CARE OF PREMISES:** ASSIGNEE agrees that that the Leased Premises shall be utilized for the sole purpose of retail sales of the products reflecting an open market with a Mexican Market theme, excluding weapons and alcoholic beverages.

4. **AMENDING USE AND CARE OF PREMISES:** Section 2.4 of LEASE is amended to include the following provisions:

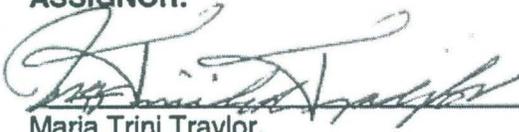
2.4.1 Further, **TENANT** covenants and agrees, in keeping with the intent and spirit of El Mercado and Market Square, to operate the business conducted on the **Leased Premises** in an "**OWNER PRESENCE**" capacity, physically participating in the day-to-day operations of **TENANT'S** business, as opposed to employing a non-owner manager of said premises, hence an "absentee owner" posture, unless such management is first approved by the Interim Director of the Center City Development and Operations Department, or his designee. Failure to operate the business on the **Leased Premises** in such a manner will constitute an act of default hereunder and will be grounds, at **CITY'S** option to terminate this Lease Agreement upon ten (10) days written notice to **TENANT**.

7. **ACKNOWLEDGEMENT OF READING:** The Parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received whatsoever competent advice and counsel which was necessary for them to form a full and complete understanding of their rights and obligations herein, and having done so, do hereby execute this Agreement.

[Signature page to follow.]

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of July 1, 2017.

ASSIGNOR:



Maria Trini Traylor,
dba Little Bit of Texas #2

ASSIGNEE:



Maria Rivera Bustos
d/b/a Turqueza #2

4510 Duquesne dr

Address

San Antonio TX 78229

City, State, Zip Code

(210) 354 9949

Business Telephone Number

(210) 719 5990

Other Telephone Number

riverma.31@gmail.com

Email Address

DATE: _____

DATE: _____

LANDLORD:
CITY OF SAN ANTONIO,
a Texas municipal corporation

ATTEST:

City Manager

Leticia M. Vacek
City Clerk

APPROVED AS TO FORM:

Andrew Segovia
City Attorney