



City of San Antonio

Legislation Details (With Text)

File #: 14-1285
Type: Miscellaneous Item
In control: City Council A Session

On agenda: 6/19/2014

Title: An Ordinance authorizing a five-year concession agreement with HayMor Enterprises, Inc. at Stinson Municipal Airport with guaranteed annual rental rate of \$1,440.00. [Ed Belmares, Assistant City Manager; Frank Miller, Director, Aviation]

Sponsors:

Indexes: Aviation Concessions, Aviation Lease Agreements, Stinson

Code sections:

Attachments: 1. Stinson Cafe Concession Agreement 6 5 14 Final, 2. Draft Ordinance, 3. Ordinance 2014-06-19-0460

Date	Ver.	Action By	Action	Result
6/19/2014	1	City Council A Session	adopted	Pass

DEPARTMENT: Aviation

DEPARTMENT HEAD: Frank Miller

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Concession Agreement for a Throttle Back Grill at Stinson Municipal Airport

SUMMARY:

This Ordinance authorizes a five-year concession agreement with HayMor Enterprises, Inc. to operate a Throttle Back Grill at Stinson Municipal Airport with guaranteed annual rental rate of \$1,440.00. For the five year period, the total Minimum Annual Guarantee is \$7,200.00.

Throttle Back Grill serves hamburgers, sandwiches and salads. The café will be open six days a week for breakfast and lunch.

BACKGROUND INFORMATION:

Solicitation Process

A Request for Interest Statements was released in February 2014 in accordance with City policy. The Aviation

Department invited interest statements from parties that had expressed interest in the concession space at Stinson but did not respond to prior solicitation. One proposal was received. Representatives from the following divisions within the Aviation Department, including Concessions Management, Stinson Municipal Airport, Contract Compliance and Small Business Section, reviewed the proposal and accepted the proposal.

This concession contract is subject to the San Antonio Airport System's Airport Concessionaire Disadvantage Business Enterprise Program.

Throttle Back Grill

Throttle Back Grill will serve breakfast and lunch six days a week from 7 a.m. until 2 p.m. Breakfast offerings include eggs, tacos and cereal. For lunch, the café will serve burgers, sandwiches and a daily lunch special. Patrons will also have the option of ordering a box lunch. The café will be aviation-themed.

Haymor Enterprises, Inc. operates two Golden Chick restaurants in South Texas since 2011.

ISSUE:

Approval of this Ordinance is consistent with City Council policy to generate revenue through the leasing of City-owned property.

ALTERNATIVES:

City Council may elect not to approve this agreement, resulting in the development of a new solicitation for food and beverage services at Stinson Municipal Airport. This action would result in a delay of revenue to the City.

FISCAL IMPACT:

The agreement is for a term of five years. The Minimum Annual Guarantee (MAG) will be the greater of \$1,440.00 or 5% of food and beverage sales. For each subsequent year, the MAG will be set at 85% of the rent payable during the previous year. The MAG will never be lower than \$1,440.00.

RECOMMENDATION:

Staff recommends the authorization of a five-year concession agreement with HayMor Enterprises, Inc. to operate a Throttle Back Grill at Stinson Municipal Airport.