



# City of San Antonio

## Legislation Details (With Text)

**File #:** 14-2494

**Type:** Real Property Lease

**In control:** City Council A Session

**On agenda:** 10/30/2014

**Title:** An Ordinance amending the lease agreements with three Farmers Market tenants, Jagtiani International, Magali Silver International and Merchants Fruit Company, and executing a patio license agreement with Alamo Trolley. [Ed Belmares, Assistant City Manager; Felix Padron, Director, Culture and Creative Development]

**Sponsors:**

**Indexes:** Market Square Leases

**Code sections:**

**Attachments:** 1. Lease Amendment - Jagtiani International, 2. DCD - Jagtiani International, 3. Lease Amendment - Magali Silver International, 4. DCD - Magali Silver International, 5. Lease Amendment - Merchants Fruit Company, 6. DCD - Merchants Fruit Company, 7. Patio License Agreement - Alamo Trolley, 8. DCD -Alamo Trolley, 9. Draft Ordinance, 10. Ordinance 2014-10-30-0829

Date	Ver.	Action By	Action	Result
10/30/2014	1	City Council A Session	adopted	Pass

**DEPARTMENT:** Department for Culture and Creative Development

**DEPARTMENT HEAD:** Felix Padron

**COUNCIL DISTRICTS IMPACTED:** 1

**SUBJECT:**

Market Square Agreements

**SUMMARY:**

Consideration of an ordinance related to leases at Farmers Market in Market Square, authorizing the following actions:

- A. Execution of an amendment to Shafique Jagtiani dba Jagtiani International lease agreement formalizing assignment of lease to Yesenia L. Bass dba Treasure Box;
- B. Execution of an amendment with Paulino Velazquez dba Magali Silver International lease agreement formalizing assignment of lease to Minerva Guerra and Jules LeBlanc dba La Plaza Imports;
- C. Execution of an amendment to Carlos Sandoval and Chris Sandoval dba Merchants Fruit Company lease agreement formalizing assignment of lease to Dafne Delgado dba Sweetie Designs;

D. Execution of patio license agreement with David Lyle dba Alamo Trolley.

## **BACKGROUND INFORMATION:**

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. 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. There are 56 businesses in the Farmers Market, 33 in El Mercado and 10 in Market Square Plaza, ranging from cafes to shops specializing in local, regional and Latin American products.

Each of these businesses holds a lease agreement with the City of San Antonio. 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, including the aforementioned leases, for an additional three-year period and subsequently a two-year period. The City has subsequently extended the Farmers Market and El Mercado agreements until June 30, 2017. The lease agreements also provide authority for the City to assign lease when businesses are sold and establish an assignment fee of \$1,500.00.

Shafique Jagtiani has successfully operated Jagtiani International since September 2001, providing jewelry to both locals and tourists alike. Mr. Jagtiani has requested to assign his lease to Yesenia L. Bass. Mr. Paulino Velazquez has owned Magali Silver International, a Mexican imports shop, specializing in jewelry, apparel and ceramics since 2001. Mr. Velazquez has requested to assign his store to Minerva Guerra and Jules LeBlanc. Carlos and Chris Sandoval, owners of Merchants Fruit Company since 2009, have requested to assign their Mexican imports business to Dafne Delgado. Additionally, the City is seeking to enter into a patio license agreement with David Lyle dba Alamo Trolley. Alamo Trolley, through its bus tour business, regularly brings tourists to Market Square, while selling unique products representative of the Texan culture in Market Square Plaza.

The proposed ordinance will authorize the following actions:

- A. Execute amendment to Jagtiani International lease to assign ownership from Shafique Jagtiani to Yesenia L. Bass dba Treasure Box.
- B. Execute amendment to Magali Silver International lease to assign ownership from Paulino Velazquez to Minerva Guerra and Jules LeBlanc dba La Plaza Imports.
- C. Execute amendment to Merchants Fruit Company lease to assign ownership from Carlos Sandoval and Chris Sandoval to Dafne Delgado dba Sweet Designs.
- D. Execute patio license agreement with David Lyle dba Alamo Trolley.

## **ISSUE:**

Approval of this ordinance is consistent with City of San Antonio policy to lease public property in Market Square for retail purposes under regulations established in Chapter 32, Article II of the City's Municipal Code. Amending the lease agreements and executing the patio license agreement require passage by City Council.

**ALTERNATIVES:**

City Council could choose not to allow for the lease assignments of Jagtiani International, Magali Silver International and Merchants Fruit Company thus jeopardizing the continued operation of established imports shops in Farmers Market. City Council could also choose not to provide a long-term patio license for Alamo Trolley, which may negatively impact the tourist business in Market Square.

**FISCAL IMPACT:**

This ordinance authorizes the acceptance of \$4,500 in revenue from lease assignment fees for three Market Square vendors. The lease assignment fee for each of the vendors is \$1,500. Revenues from these lease assignments will be deposited in the Market Square Fund.

**RECOMMENDATION:**

Staff recommends approval of this ordinance authorizing the lease assignments of Jagtiani International, Magali Silver International and Merchants Fruit Company in Farmers Market and the execution of a patio license agreement with Alamo Trolley.