



# City of San Antonio

## Legislation Details (With Text)

**File #:** 14-1477

**Type:** Real Property Lease

**In control:** City Council A Session

**On agenda:** 8/7/2014

**Title:** An Ordinance authorizing an amendment to the lease agreement with Rivercenter Mall in order to accommodate mall improvements on the west side of the River Walk lagoon. [Carlos Contreras, Assistant City Manager; Lori Houston, Director, Center City Development Office]

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Amendment, 2. Disclosure Form, 3. Draft Ordinance, 4. Ordinance 2014-08-07-0528

Date	Ver.	Action By	Action	Result
8/7/2014	1	City Council A Session	adopted	Pass

**DEPARTMENT:** Center City Development Office

**DEPARTMENT HEAD:** Lori Houston

**COUNCIL DISTRICTS IMPACTED:** 1

**SUBJECT:**

Rivercenter Mall Lease Amendment to Expand Patio Lease Space on River Walk

**SUMMARY:**

This ordinance authorizes an amendment to the lease agreement with Rivercenter Mall to add 699 square feet for patio space and 359 square feet for stairway space on the west side of the River Walk lagoon and immediately north of the Commerce Street Bridge.

**BACKGROUND INFORMATION:**

On August 21, 2008, City Council approved Ordinance 2008-08-21-0722 with Rivercenter Mall for use of public space to accommodate improvements to the mall on the east side of the River Walk lagoon area. Per the agreement, Rivercenter Mall is responsible for all landscape maintenance and removal of all trash within the lagoon area, as well as cleaning of the public walkways, staircases, and the pedestrian bridge in the lagoon area. In addition, they are also responsible for maintenance of the lagoon island and bridge and for cleaning the river in the lagoon area.

Rivercenter Mall is now proposing to make improvements to the west side of the River Walk lagoon area and is seeking to utilize 699 square feet of patio space for outdoor food and beverage service, plus 359 square feet to be occupied by a staircase linking Commerce Street to the River Walk that will be available 24/7 for public use. Rivercenter Mall will pay rent for the 699 square feet used for commercial purposes (see Fiscal Impact below), but will not be charged for staircase space, provided the staircase remains open at all times for use by the public. Rivercenter will be responsible for all maintenance and cleaning of both areas. Construction work is planned to begin after City Council approval and forecast to be finished no later than June 1, 2015 when rent will commence. The proposed amendment will extend the lease term from May 31, 2029 to May 31, 2035.

The Historic & Design Review Commission granted conceptual approval of the proposed improvements to the west side of the lagoon area on December 4, 2013.

**ISSUE:**

Rivercenter Mall is seeking to lease public property to accommodate improvements to the mall on the west side of the River Walk lagoon area.

**ALTERNATIVES:**

The City may elect not to lease public property on the west side of the River Walk lagoon area to Rivercenter Mall; however, if the property is not leased, the proposed stairway access (which can be utilized by the general public) will be not be constructed and the City will also forgo the additional rent for space not currently utilized.

**FISCAL IMPACT:**

This ordinance authorizes an additional \$1,488.87 monthly payment for use of 699 square feet of lease space by Rivercenter Mall, beginning June 1, 2015. Revenue from this lease is deposited in the Community Development Block Grant Fund.

	# sf	Rate per sf/month, 10/1/14-5/31/15	Rate per sf/month, 6/1/15-9/30/15	FY2015
River Level, Existing	1,035	\$2.08 per sf \$2,152.80/month	\$2.13 per sf \$2,204.55/month	\$26,040.60
River Level, <b>New space</b>	699		\$2.13 per sf \$1,488.87/month	\$5,955.48
Street Level, Existing	116	\$1.56 per sf \$180.96/month	\$1.60 per sf \$185.60/month	\$2,190.08
<b>TOTAL</b>				<b>\$34,186.16</b>

**RECOMMENDATION:**

Staff recommends approval of an amendment to the lease agreement with Rivercenter Mall for use of River Walk patio space.