



City of San Antonio

Agenda Memorandum

File Number: 17-1555

Agenda Item Number: 14.

Agenda Date: 2/23/2017

In Control: City Council A Session

DEPARTMENT: Center City Operations & Development Department

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

Market Square Amendment

SUMMARY:

Consideration of an ordinance related to leases in Market Square, authorizing the following action:

A. Execution of a lease amendment with Forever Yours to assign lease agreement to Joyce Duran dba Besitos & Joy.

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 14 in Market Square Plaza, ranging from cafes to shops specializing in local, regional and Latin American products.

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 first option to extend the Farmers Market and El Mercado agreements until June 30, 2017.

Violeta Duran dba Forever Yours has operated a Mexican imports store in El Mercado for over twenty-five years. Joyce Duran has sold merchandise in El Mercado for over twenty years. The Municipal Code provides authority for the City to assign leases when businesses are sold and establish an assignment fee of \$1,500.00.

This proposed ordinance will authorize an amendment to the lease agreement with Forever Yours, effectively assigning the lease agreement.

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 require passage by City Council.

ALTERNATIVES:

City Council could choose not to allow for the lease assignment of Forever Yours, thus jeopardizing the continued operation of an established Mexican imports shop in El Mercado.

FISCAL IMPACT:

The fiscal impact to FY 2017 would be an increase of \$1,500.00. The stated lease assignment fee is \$1,500 per assignment. Revenue from this lease assignment will be deposited in the City's Market Square Improvement Fund.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing the amendment to the lease agreement with Forever Yours.