



City of San Antonio

Agenda Memorandum

File Number: 14-2665

Agenda Item Number: 20.

Agenda Date: 12/4/2014

In Control: City Council A Session

DEPARTMENT: Department for Culture and Creative Development

DEPARTMENT HEAD: Felix Padron

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

Market Square Agreement

SUMMARY:

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

- A. Execution of a lease amendment with Ana Corona dba Marmalade & Spice in Farmers Market to assign lease agreement to Irene Castaneda dba J. Anthony's Leather Goods

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.

Ana Corona 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 leases until June 30, 2014. The ordinance also provided the City the option to renew all the Farmers Market leases, including the

aforementioned lease, for an additional three-year period and subsequently a two-year period. The City has subsequently extended the Farmers Market agreements until June 30, 2017.

Ms. Corona has operated Marmalade & Spice, a fashion accessory, figurine, marmalade and salsa shop in Farmers Market since September 2013. Ms. Corona is requesting to assign her store to Irene Castaneda, who is proposing to sell similar items with an emphasis on leather goods. The lease agreements provide authority for the City to assign lease 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 Ana Corona dba Marmalade & Spice, effectively assigning the lease agreement to Irene Castaneda dba J. Anthony's Leather Goods.

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 assignment of Marmalade & Spice, thus jeopardizing the continued operation of established imports shops in Farmers Market.

FISCAL IMPACT:

The fiscal impact to FY 2015 would be an increase of \$1,500, which is the stated lease assignment fee. Revenues from this lease assignment will be deposited in the City's Market Square Improvement Fund.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing the lease assignment of Marmalade & Spice.