



City of San Antonio

Agenda Memorandum

File Number: 14-2791

Agenda Item Number: 26.

Agenda Date: 12/11/2014

In Control: City Council A Session

DEPARTMENT: Department for Culture and Creative Development

DEPARTMENT HEAD: Felix Padron

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

Fiesta Event at Market Square

SUMMARY:

This ordinance authorizes the City Manager or her designee to negotiate and execute an amendment to the Fiesta Event at Market Square License Agreement with El Consejo Real de Reyes Feos Anteriores dba Rey Feo Consejo Educational Foundation, extending the agreement for an additional five years.

BACKGROUND INFORMATION:

On December 9, 2010, City Council approved Ordinance 2010-12-09-1035 to award a contract to the Rey Feo Consejo Educational Foundation to conduct the ten day Fiesta event at Market Square for the years 2011-2015 with an opportunity of extension with City Council approval for up to five years. Per the terms of the license agreement, the City is responsible for providing event security while the Licensee is responsible for all event planning, set-up, and clean-up. The Licensee pays the City a minimum annual guarantee of \$135,000.00, plus fees for each beer and non-alcoholic beverage sold during the Fiesta Event (\$0.75 and \$0.25, respectively). The City requires this event charge no admission. In addition, the Rey Feo Consejo Educational Foundation provides a minimum of \$20,000.00 annually in scholarships to San Antonio students.

On March 6, 2014, City Council approved Ordinance 2014-03-06-0135, which amended the agreement to eliminate April 18, 2014 from the originally approved event schedule in order to avoid conflict with Good

Friday. In consideration for reducing the number of event days, the parties agreed that in lieu of a minimum annual guarantee in 2014 the City would be paid 50% of all net revenues. The requirement that fees be paid for each beer and non-alcoholic beverage sold remained unchanged.

ISSUE:

The initial five-year term of the agreement authorizing El Consejo Real de Reyes Feos Anteriores dba Rey Feo Consejo Educational Foundation to operate the annual Fiesta Event at Market Square expires after Fiesta 2015. City Council consideration is requested to authorize the negotiation and execution of an amendment to extend the terms of the existing contract for up to five years.

ALTERNATIVES:

The City may allow the Fiesta Event at Market Square License Agreement to expire after Fiesta 2015 by not authorizing the negotiation and execution of an extension to the agreement.

FISCAL IMPACT:

This ordinance authorizes the City Manager or her designee to negotiate and execute an amendment to the Fiesta Event at Market Square License Agreement with El Consejo Real de Reyes Feos Anteriores dba Rey Feo Consejo Educational Foundation, extending the agreement for an additional five years. During the five-year extension period, the minimum annual guarantee due to the City will be no less than \$135,000.00.

Revenue from this agreement is deposited in the Market Square Fund.

RECOMMENDATION:

Staff recommends approval of the proposed ordinance authorizing the City Manager or her designee to negotiate and execute an amendment to extend the Market Square Fiesta Event License Agreement for up to five years.