



City of San Antonio

Agenda Memorandum

File Number: 15-1235

Agenda Item Number: 12.

Agenda Date: 2/19/2015

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations Department

DEPARTMENT HEAD: Lori Houston

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

River Walk Patio Lease Assignment

SUMMARY:

This ordinance authorizes assignment of a River Walk patio lease from Aztec on the River, Ltd. to Aztec Family Group, LLC as a result of the sale of the adjacent Aztec Theatre Building.

BACKGROUND INFORMATION:

On December 9, 1999, City Council approved Ordinance 90983, which authorized the lease of 1,409 square feet of City-owned River Walk patio space to Aztec on the River, Ltd., owner of the adjacent Aztec Theatre Building. On August 25, 2005, City Council approved Ordinance 101302 to authorize Aztec on the River's sublease of the River Walk patio space to Iron Cactus San Antonio, which utilizes the property for outdoor dining in conjunction with their restaurant in the lower level of the adjacent Aztec Theatre Building.

In January 2015, in accordance with provisions of the lease, Aztec on the River, Ltd. submitted a written request asking that the City of San Antonio approve assignment of their River Walk patio lease as a result of its sale of the Aztec Theatre Building to Aztec Family Group, LLC. Both Aztec on the River, Ltd. and Aztec Family Group, LLC have signed the City's lease assignment document and the \$1,500.00 lease assignment fee has been paid to the City. The Iron Cactus San Antonio's sublease will enable it to continue to operate on the River Walk and there will be no change to the City's projected FY2015 revenue from this lease of \$27,729.12,

which is deposited to the River Capital Improvement Fund.

ISSUE:

Approval of this ordinance is consistent with the City's lease to Aztec on the River, Ltd., which allows for the lease to be assigned subject to the prior written consent of the City acting through passage of a City Council ordinance.

ALTERNATIVES:

The City may elect not to assign the lease, which would result in the new owner of the Aztec Theatre Building not benefiting from commercial use of the adjacent River Walk patio space.

FISCAL IMPACT:

There is no fiscal impact as a result of the proposed lease assignment.

RECOMMENDATION:

Staff recommends approval of the proposed River Walk patio lease assignment from Aztec on the River, Ltd. to Aztec Family Group, LLC.