City of San Antonio

Legislation Details (With Text)

File #:	18-4981
Type:	Real Property Lease
In control:	City Council A Session
On agenda:	9/20/2018
Title:	Ordinance approving the Farmers Market lease assignment from Juan Buendia dba Ilucion to Marco A. Pena Pina dba Chantli Imports. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development and Operations]
Sponsors:	
Indexes:	Market Square Leases
Code sections:	
Attachments:	1. Lease Assignment 8.28.2018, 2. Contracts Disclosure Form, 3. Draft Ordinance, 4. Ordinance 2018-09-20-0736

Date	Ver.	Action By	Action	Result
9/20/2018	1	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 at Farmers Market in Market Square, authorizing the execution of a lease amendment with Ilucion to assign lease agreement to Marco A. Pena Pina dba Chantli Imports.

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

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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 and second option to extend the Farmers Market and El Mercado agreements until June 30, 2019.

Juan Buendia dba Ilucion has operated stores in Farmers Market specializing in Mexican tiles, metal art and other Mexican imports since 2015. Mr. Buendia is now requesting to assign store to Mr. Pena, who will continue selling Mexican imports to include the addition of clay figures. The Municipal Code provides authority for the City to assign leases and establish an assignment fee of $1,500.00.

This proposed ordinance will authorize an amendment to the lease agreement with Ilucion, 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 a lease agreement requires passage by City Council.

ALTERNATIVES:

City Council could choose not to allow for the lease assignment of Ilucion, thus jeopardizing the continued operation of an established Mexican and regional imports shop in Farmers Market.

FISCAL IMPACT:

The fiscal impact to FY 2018 would be an increase of $1,500. The stated lease assignment fee is $1,500 per assignment. Revenue from this lease assignment will be deposited in the City's Market Square Fund.

RECOMMENDATION:

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

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