



City of San Antonio

Agenda Memorandum

File Number:16-3424

Agenda Item Number: 12.

Agenda Date: 6/16/2016

In Control: City Council A Session

DEPARTMENT: Center City Operations & Development Department

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

Market Square Lease Assignment

SUMMARY:

This ordinance authorizes an amendment to the Farmers Market lease agreement for Earth to Market, authorizing the assignment of the lease agreement to Omar Dominguez dba House of Mexico 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 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.

Robert Santiago dba Earth to Market has operated a store in Farmers Market since 2001, selling Mexican imports and regional products. Mr. Dominguez comes from a family that has operated a Mexican imports store in El Mercado since 2008. 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 Earth to Market, 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 Earth to Market, thus jeopardizing the continued operation of an established Mexican imports shop in Farmers Market.

FISCAL IMPACT:

The fiscal impact to FY 2016 would be an increase of \$1,500, which is the stated lease assignment fee. 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 Earth to Market.