



City of San Antonio

Agenda Memorandum

File Number:14-322

Agenda Item Number: 9.

Agenda Date: 3/6/2014

In Control: City Council A Session

DEPARTMENT: Center City Development Office

DEPARTMENT HEAD: Lori Houston

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

Fiesta Event at Market Square

SUMMARY:

This ordinance authorizes 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 in order to remove a conflict between the first day of Fiesta and Good Friday and modify the payment formula for 2014.

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 option to extend 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 (\$.75 and \$.25, respectively). The City requires this event charge no admission.

In order to avoid a conflict with Good Friday during Fiesta, the City and Licensee have agreed to eliminate April 18, 2014 from this year's event dates, thereby reducing the number of event days from ten to nine. In consideration for reducing the number of event days, the City and Licensee have agreed that in lieu of a minimum annual guarantee this year the Licensee shall pay the City 50% of all net revenues. The requirement that fees be paid for each beer and non-alcoholic beverage sold will remain unchanged.

ISSUE:

This year, in order to avoid conflict between Good Friday and the originally planned first day of Fiesta - both on April 18, 2014, an amendment is proposed to eliminate the date from this year's Market Square Fiesta event and adjust this year's payment formula.

ALTERNATIVES:

The City may allow the Market Square Fiesta event to operate on Good Friday, April 18, 2014.

FISCAL IMPACT:

This ordinance eliminates the minimum annual guarantee of \$135,000.00 to the City and replaces it with a payment equal to 50% of Licensee's net revenues.

The net revenue proceeds will be deposited in the Market Square Fund.

RECOMMENDATION:

Staff recommends approval of the proposed amendment to the Market Square Fiesta license agreement in order to remove a conflict between the first day of Fiesta and Good Friday in 2014.