



# City of San Antonio

## Agenda Memorandum

**File Number:**19-1729

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**Agenda Item Number:** 14.

**Agenda Date:** 2/21/2019

**In Control:** City Council A Session

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**DEPARTMENT:** Center City Development and Operations Department

**DEPARTMENT HEAD:** John Jacks

**COUNCIL DISTRICTS IMPACTED:** 1

### **SUBJECT:**

La Villita Lease

### **SUMMARY:**

This ordinance authorizes one five-year term with Alamodeus LLC d/b/a Capistrano Soap Company for the use of 559 square feet, Building 3 located at 418 Villita St. effective March 1, 2019 through February 29, 2024. The proposed La Villita lease provides for two, one-year renewal options. The total amount paid for year one of the lease is \$9,276.42, which includes \$316.02 rental abatement for Night in Old San Antonio (NIOA). All revenue generated from this lease agreement will be deposited into the General Fund.

### **BACKGROUND INFORMATION:**

On September 21, 2018, a Request For Proposals (RFP) was issued seeking proposals from qualified respondents interested in leasing buildings in the La Villita Historic Arts Village. On October 22, 2018, five proposals were received in response to the RFP. On December 11, 2018, the proposals received were evaluated by a four-member Evaluation Committee composed of City Staff and representatives from San Antonio's historic preservation and tourism community. The Committee recommended awarding Alamodeus LLC d/b/a Capistrano Soap Company a lease for Building 3. Capistrano Soap Company is an existing tenant of La Villita located in Building 7; if this Ordinance is approved it will relocate its successful business from Building 7 to Building 3.

### **ISSUE:**

The proposed lease of Building 3, which is 559 square feet, is for one five-year term effective March 1, 2019. The lease provides for two, one-year renewal options. Approval of this ordinance is consistent with the City's practice of leasing City-owned property in support of downtown retail activity.

Vendors were evaluated on the firm's qualifications, experience, quality of service, previous performance, reference review, proposed plan, and price schedule. The evaluation was based on a total of 100 points as described in the attached RFP Score Summary Matrix. This included application of points for the Local Preference Program (LPP) and Veteran-Owned Small Business Preference Program.

The Capistrano Soap Company is not headquartered in San Antonio, but they have been operating a business within the incorporated limits of the City and have at least 20% of their employees regularly based in the City. The Capistrano Soap Company is not a veteran-owned small business, which was reflected in the scoring.

This contract will be awarded in compliance with the Small Business Economic Development Advocacy (SBEDA) Program. Alamodeus LLC d/b/a Capistrano Soap Company is a small, women-owned firm that received ten evaluation preference points as they are located within the San Antonio Metropolitan Statistical Area.

#### **ALTERNATIVES:**

The City may elect not to approve the proposed lease, which would result in Capistrano Soap Company remaining in Building 10 and Building 3 remaining vacant.

#### **FISCAL IMPACT:**

This ordinance authorizes one five-year term with Alamodeus LLC d/b/a Capistrano Soap Company for the use of 559 square feet, Building 3 located at 418 Villita St. effective March 1, 2019 through February 29, 2024. The proposed La Villita lease provides for two, one-year renewal options. The total amount paid for year one of the lease is \$9,276.42, which includes \$316.02 rental abatement for Night in Old San Antonio (NIOA). The total amount to be paid by Capistrano Soap Company under the proposed lease is summarized below.

<b>Lease Year</b>	<b>Yearly Total<sup>1</sup></b>
1	\$9,276.42
2	\$9,471.70
3	\$9,666.97
4	\$9,862.25
5	\$10,057.53
<b>Total</b>	<b>\$48,334.87</b>

<sup>1</sup>Yearly total reflects rental abatement provided in April due to NIOA

All revenue generated from this lease agreement will be deposited into the General Fund.

#### **RECOMMENDATION:**

Staff recommends approval of the La Villita Lease with Alamodeus LLC d/b/a Capistrano Soap Company,

effective March 1, 2019 through February 29, 2024.