



City of San Antonio

Agenda Memorandum

File Number:21-1227

Agenda Item Number: 14.

Agenda Date: 2/4/2021

In Control: City Council A Session

DEPARTMENT: Center City Development and Operations Department

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

River Walk Lease Agreement - Westin Riverwalk

SUMMARY:

This ordinance authorizes a five-year lease agreement with GPIF WSAN Riverwalk Hotel LLC. d/b/a The Westin Riverwalk, San Antonio (Westin Riverwalk) for the use of 1,173.59 square feet of River Walk patio space for food and beverage service.

BACKGROUND INFORMATION:

City Council authorized a lease agreement with the Westin Riverwalk for use of 1,173.59 square feet of River Walk patio space effective March 1, 2000 through February 28, 2005. The agreement included three, five-year renewal options, the last of which expired on February 28, 2020. Due to a recent change in ownership and the difficulties of operating during the COVID-19 pandemic, the lease agreement reverted to a month-to-month arrangement. Through this period the Westin has remained in good standing.

This ordinance will authorize a new five-year lease agreement with the Westin Riverwalk effective February 5, 2021 through February 4, 2026. Due to the adverse economic impact the COVID-19 pandemic has had on the City's visitor industry, the lease rates for year one and two of the lease agreement will remain flat at \$1.91 per square foot per month. Lease rates for remaining years will increase by 1.5% annually. Lastly, the lease agreement provides for one, five-year renewal option.

ISSUE:

Approval of this ordinance is consistent with the City's policy of leasing River Walk patio space to adjacent businesses for outdoor dining alongside the San Antonio River.

ALTERNATIVES:

The City may elect not to lease to the Westin Riverwalk, however, the patio space will then be vacant and underutilized.

FISCAL IMPACT:

The total amount for the proposed lease period is summarized below:

Lease Period	Total
February 5, 2021 - February 4, 2022	\$26,898.72
February 5, 2022 - February 4, 2023	26,898.72
February 5, 2023 - February 4, 2024	27,321.12
February 5, 2024 - February 4, 2025	27,743.64
February 5, 2025 - February 4, 2026	28,166.16
Total	\$137,027.36

All funds received will be deposited into the River Walk Capital Improvement Fund.

RECOMMENDATION:

Staff recommends approval of the lease with GPIF WSA Riverwalk Hotel LLC. d/b/a The Westin Riverwalk, San Antonio for the use of 1,173.59 square feet of River Walk patio space for food and beverage service.