



City of San Antonio

Agenda Memorandum

File Number:15-3510

Agenda Item Number: 32.

Agenda Date: 6/18/2015

In Control: City Council A Session

DEPARTMENT: Department for Culture and Creative Development

DEPARTMENT HEAD: Felix Padron

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

Market Square Agreement

SUMMARY:

Consideration of an ordinance related to leases at El Mercado in Market Square, authorizing the following action:

- A. Execution of a lease amendment with Senter's Products in El Mercado to assign lease agreement to Magali Velazquez dba Magali's Silver International.

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 10 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 leases until June 30, 2014. The ordinance also provided the City the option to renew all the Farmers Market leases, including the aforementioned leases, for an additional three-year period and

subsequently a two-year period. The City has subsequently extended the Farmers Market agreements until June 30, 2017.

Suzanne Washburn, Emily Washburn and Jesus Castillo dba Senter's Products have operated in El Mercado since 2000, selling goods with a Texan and regional accent.. Selling a variety of Mexican products with an emphasis on silver jewelry, Ms. Velazquez has successfully operated in El Mercado since 2003. 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 Senter's Products, 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 Senter's Products, thus jeopardizing the continued operation of established imports shops in El Mercado.

FISCAL IMPACT:

The fiscal impact to FY 2015 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 Senter's Products.