



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 14

Agenda Date: February 22, 2024

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Lease assignment of Fiesta Fun Company in Farmers Market, operated by Maria Cornejo, to Alessandra Flores, doing business as Casa de las Flores.

SUMMARY:

This ordinance authorizes the lease assignment of Fiesta Fun Company in Farmers Market, operated by Maria Cornejo, to Alessandra Flores, doing business as Casa de las Flores. The lease with Ms. Flores will continue through May 31, 2026.

BACKGROUND INFORMATION:

Maria Cornejo leases space in the Farmers Market building in Market Square to operate Fiesta Fun Company, a clothing, souvenirs and home goods store that has been in business for over twenty years. The lease is for 114 square feet of space. Ms. Cornejo now wishes to assign the business to Alessandra Flores doing business as Casa de las Flores.

ISSUE:

Per the lease agreements with all Farmers Market and El Mercado tenants, when a tenant has operated a leased space for less than twenty years (non-legacy status) or is requesting to assign a lease to a non-family member, the proposed assignee will be required to pay the market lease rate and a \$3,000.00 assignment fee. Accordingly, upon execution of the lease assignment, the lease rate will increase from the current rate of \$4.19 per square foot to the market rate of \$4.25 per square foot. 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. Approving this lease assignment requires passage by City Council.

ALTERNATIVES:

City Council could choose not to approve this lease assignment. If Council does not approve the assignment, the owner could pursue a different assignment, choose to continue operations, or wind down their business and terminate their lease.

FISCAL IMPACT:

This ordinance authorizes the lease assignment of Fiesta Fun Company in Farmers Market, operated by Maria Cornejo, to Alessandra Flores, doing business as Casa de las Flores. The fiscal impact to FY 2024 would be an increase of \$3,052.44 consisting of a one-time assignment fee of \$3,000.00 and a rate increase of \$52.44. Revenue from this lease assignment will be deposited in the City's Market Square Fund.

Dates	Monthly Rent	Total Rent
Commencement to 5/31/2024	\$484.50	\$1,453.50
6/1/2024 to 5/31/2026	\$494.76	\$11,874.24

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing the lease assignment of Fiesta Fun company from Maria Cornejo to Alessandra Flores doing business as Casa de las Flores.