



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 20

Agenda Date: August 29, 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 San Antonio Gift Shop to Sandra Zapien, doing business as Sandra's Gift Shop.

SUMMARY:

This ordinance authorizes the lease assignment of San Antonio Gift Shop, located in Farmers Market, to Sandra Zapien who plans to do business under the name Sandra's Gift Shop. The lease with Ms. Zapien will begin on October 1, 2024, and continue through May 31, 2026.

BACKGROUND INFORMATION:

Rita Alanis leases space in the Farmers Market building to operate San Antonio Gift Shop, a jewelry, clothing and souvenir store that has been in business for over twenty years. Ms. Alanis now wishes to assign the business to Sandra Zapien doing business as Sandra's Gift Shop.

ISSUE:

The City has leased 228 square feet of space in Farmers Market to Ms. Alanis for over twenty years. The tenant now wishes to assign her lease agreement to Ms. Zapien. 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. Additionally, upon execution of the lease assignment, the lease rate will increase from the current rate of \$3.26 per square foot to the market rate of \$3.80 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 her business and terminate her lease.

FISCAL IMPACT:

This ordinance authorizes the lease assignment of San Antonio Gift Shop, located in Farmers Market, to Sandra Zapien who plans to do business under the name Sandra's Gift Shop. The fiscal impact to FY 2025 would be an increase of \$4,477.44 consisting of a one-time assignment fee of \$3,000.00 and a rate increase of \$1,477.44. Revenue from this lease assignment will be deposited in the City's Market Square Improvement Fund.

Dates	Total Lease Amount
Commencement to May 31, 2026	\$17,328.00

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing the approval of the lease assignment of San Antonio Gift Shop to Sandra Zapien, doing business as Sandra's Gift Shop.