



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 30

Agenda Date: September 21, 2023

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

This ordinance authorizes the fourth amendment to the Riverwalk Use Fee Agreement with Losoya Street Properties, LLC (previously Los Leones, LTD).

SUMMARY:

This ordinance authorizes the fourth amendment to the River Walk Use Fee Agreement between Losoya Street Properties, LLC (previously Los Leones, LTD) and the City of San Antonio to extend the leased premises to include an additional 500 square feet of River Level Commercial Space. As a result of this amendment, additional revenue of \$40,547.65 over the remaining term of three years will be received by the City and deposited to the Riverwalk Capital Improvement Fund. In FY 2024, a total of \$86,294.08 will be paid from Losoya Street Properties, LLC to the City of San Antonio.

BACKGROUND INFORMATION:

In September 2001, the City agreed to a 25-year lease agreement with Los Leones LTD to lease 2,334 square feet of patio space along the River Walk. Since then the City has approved lease amendments that added an additional 450 square feet along the River Walk to the lease. The tenant also managed the construction of a public access elevator at the River Walk level. This river walk

patio lease supports several businesses located in a building owned by Losoya St. Properties. The current businesses include the Lone Star Cafe, Cafe Ole, and Agave Bar.

ISSUE:

City Council will consider approving an expansion of the leased premises to include an additional 500 square feet of River Level Commercial Space. The area to be added to the lease is adjacent to the existing outdoor patio area alongside the San Antonio River Walk. The tenant has worked with CCDO and OHP staff to incorporate feedback into the design of the new improvements, and the HDRC has approved the design. Prior to initiating construction, the lease must be amended to incorporate the new area.

ALTERNATIVES:

The City may elect not to approve the Amendment #4 to the Use Fee Agreement, which would prevent expansion of the leased space.

FISCAL IMPACT:

This ordinance authorizes the fourth amendment to the River Walk Use Fee Agreement between Losoya Street Properties, LLC (previously Los Leones, LTD) and the City of San Antonio to extend the leased premises to include an additional 500 square feet of River Level Commercial Space. As a result of this amendment, additional revenue of \$40,547.65 over the remaining term of three years will be received by the City and deposited to the Riverwalk Capital Improvement Fund. In FY 2024, a total of \$86,294.08 will be paid from Losoya Street Properties, LLC to the City of San Antonio.

Remaining Year	Term	Current Revenue		Additional 500 sf.		Total Revenue	
		Monthly Amount	Annual Amount	Monthly Amount	Annual Amount	Monthly Amount	Annual Amount
1	10/1/2023–8/31/2024	\$6,044.21	\$66,486.29	\$1,135.00	\$12,485.00	\$7,179.21	\$78,971.29
2	9/1/2024–8/31/2025	\$6,165.09	\$73,981.11	\$1,157.70	\$13,892.40	\$7,322.79	\$87,873.51
3	9/1/2025–8/31/2026	\$6,288.39	\$75,460.73	\$1,180.85	\$14,170.25	\$7,469.25	\$89,630.98

RECOMMENDATION:

Staff recommends approval of the Amendment #4 to the River Walk Use Fee Agreement between Losoya Street Properties, LLC. to extend the leased premises to include an additional 500 square feet of River Level Commercial Space.