



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 8

Agenda Date: May 11, 2023

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Amendment #1 to the River Walk Lease Agreement with BGSCR Riverwalk, LLC, dba Bubba Gump Shrimp.

SUMMARY:

This ordinance authorizes the first amendment to the River Walk Lease Agreement with BGSCR Riverwalk, LLC, doing business as Bubba Gump Shrimp, and the City of San Antonio to exercise its five-year renewal term, commencing on July 1, 2023, and expiring on June 30, 2028.

BACKGROUND INFORMATION:

In 2018, City Council authorized a five-year lease agreement with Bubba Gump Shrimp for use of 787 square feet of River Walk Patio Space, located at 406 Navarro St., on the San Antonio River, for the purpose of outdoor dining and beverage service. The term of the agreement began on July 1, 2018, and will expire on June 30, 2023.

Amendment #1 of the Lease Agreement will exercise the tenant's five-year renewal option commencing on July 1, 2023 and expiring on June 30, 2028.

ISSUE:

Approval of this ordinance is consistent with the City’s policy of leasing River Walk space to adjacent businesses for outdoor dining and beverages alongside the San Antonio River. The extension requires Council approval as outlined in the initial lease agreement.

ALTERNATIVES:

The City may elect not to approve the five-year lease extension, which would result in occupancy becoming at will or terminating.

FISCAL IMPACT:

This ordinance authorizes the first amendment to the River Walk Lease Agreement with Bubba Gump Shrimp to exercise the five-year renewal term commencing on July 1, 2023 and expiring on June 30, 2028. As a result of this amendment, additional revenue of \$152,048 over the five years will be received by the City and deposited in the Riverwalk Capital Improvement Fund.

Renewal Year	Term	Monthly Amount	Annual Amount
1	7/1/2023 – 6/30/2024	\$2,408	\$28,899
2	7/1/2024 – 6/30/2025	\$2,471	\$29,654
3	7/1/2025 – 6/30/2026	\$2,534	\$30,410
4	7/1/2026 – 6/30/2027	\$2,597	\$31,165
5	7/1/2027 – 6/30/2028	\$2,660	\$31,921

RECOMMENDATION:

Staff recommends approval of the five-year lease extension with Bubba Gump Shrimp to expire on June 30, 2028.