

**DEPARTMENT:** Center City Development and Operations Department

**DEPARTMENT HEAD:** John Jacks

**COUNCIL DISTRICTS IMPACTED:** 1

**SUBJECT:**

Amendment # 2 to the River Walk Lease Agreement with JCS Acquisition, Inc. d/b/a Joe's Crab Shack

**POSTING LANGUAGE:**

This Ordinance Authorizes a second amendment to the River Walk Lease Agreement between the City of San Antonio and JCS Acquisition, Inc. d/b/a Joe's Crab Shack to continue utilizing the current River Walk patio space for an additional term of five (5) years, commencing on December 1, 2022, and expiring on November 31, 2027. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development and Operations Department]

**SUMMARY:**

This ordinance authorizes a second amendment to the River Walk Lease Agreement between the City of San Antonio and JCS Acquisition, Inc. d/b/a Joe's Crab Shack to continue utilizing the current River Walk patio space for an additional term of five (5) years, commencing on December 1, 2022, and expiring on November 31, 2027.

**BACKGROUND INFORMATION:**

Ordinance 2012-08-02-0549 authorized a five (5) year Agreement with Joe's Crab Shack-Texas, Inc. (a subsidiary of the Ignite Restaurant Group) for use of 98.87 square feet of River Walk Patio Space. The term of the agreement began on January 1, 2013. On March 29, 2018, through Ordinance 2018-03-29-0198, the City approved Amendment # 1 to the Lease Agreement with JCS Acquisitions, Inc. (a subsidiary of Landry's Inc.) d/b/a Joe's Crab Shack to extend the Agreement's term from January 1, 2018 through November 30, 2022.

**ISSUE:**

Approval of this ordinance is consistent with the City's policy of leasing River Walk patio space to adjacent businesses for outdoor dining alongside the San Antonio River.

**ALTERNATIVES:**

The City may elect not to amend the Agreement, which would result in the Joe's Crab Shack's occupancy becoming at will or terminating.

**FISCAL IMPACT:**

Under this Amendment, Joe's Crab Shack will pay a rate of \$3.08 per square foot per month effective December 1, 2022, and will increase 3% annually. The total amount to be received by Joe's Crab Shack for the entire 5-year period is \$ \$19,398.94 as summarized below:

Year	Term	Monthly Amount	Annual Amount
1	12/1/2022 - 11/30/2023	\$304.49	\$3,653.88
2	12/1/2023 - 11/30/2024	\$313.62	\$3,763.50
3	12/1/2024 - 11/30/2025	\$323.03	\$3,876.40
4	12/1/2025 - 11/30/2026	\$332.72	\$3,992.69
5	12/1/2026 - 11/30/2027	\$342.71	\$4,112.47

All funds received will be deposited into the River Walk Capital Improvements Fund.

**RECOMMENDATION:**

Staff recommends approval of the Amendment #2 to the River Walk Lease Agreement between the City of San Antonio and JCS Acquisition, Inc. d/b/a Joe's Crab Shack to extend the license term for an additional five (5) year period, beginning December 1, 2022 and ending November 30, 2027.

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