



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 14

Agenda Date: January 13, 2022

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Landry's Seafood Inn and Oyster Bar Patio and Balcony Lease Renewal

SUMMARY:

This ordinance authorizes a five-year renewal of a River Walk patio lease agreement with Landry's Seafood Inn and Oyster Bar – San Antonio, Inc. d/b/a Landry's Seafood House.

BACKGROUND INFORMATION:

On October 20, 2011, City Council approved a lease agreement for 1,550 square feet of River Walk patio space with Landry's Seafood House for outdoor dining alongside the San Antonio River. A lease amendment to use a 293.9 square foot balcony that occupies River Walk airspace for dining purposes was effective retroactively to January 1, 2012, and valid through October 31, 2016.

This ordinance authorizes the second renewal of the lease agreement. During the renewal term, the monthly rental rate is \$2.70 per square foot for patio space and \$2.22 per square foot for balcony airspace generating annual revenue of \$58,049.50 and increasing 2.5% annually. The lease extension expires on October 31, 2026, with two options to extend for up to five years each.

ISSUE:

Approval of this ordinance is consistent with City policy to lease City-owned property and support economic development in the downtown area.

ALTERNATIVES:

The City Council may elect not to authorize the renewal of the lease with Landry's Seafood Inn and Oyster Bar – San Antonio, Inc. d/b/a Landry's Seafood House, thereby terminating the lease and prohibiting use of the outdoor area by Landry's Seafood House.

FISCAL IMPACT:

Landry's Seafood Inn and Oyster Bar – San Antonio, Inc. paid a rental rate of \$2.70 per square foot per month to lease 1,550 square feet of River Walk patio space and \$2.22 per square foot per month to lease 293.9 square foot per month of balcony air space from the City of San Antonio, or \$58,049.50 annually. Due to the Covid-19 Pandemic, the monthly rate charged during the first year of the renewal term will remain the same at \$2.70 per square foot of patio space and \$2.22 per square foot of balcony space. This rate is effective November 1, 2021, and increases 2.50% annually. Revenue generated from this River Walk patio space lease will be deposited into the River Walk Capital Improvement Fund.

RECOMMENDATION:

Staff recommends approval of the second renewal for River Walk patio and balcony lease space for Landry's Seafood House, which will extend the lease term for five years through October 31, 2026.