



# City of San Antonio

## Agenda Memorandum

### File Number:

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**Agenda Item Number:** 16

**Agenda Date:** April 6, 2023

**In Control:** City Council A Session

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**DEPARTMENT:** Center City Development & Operations

**DEPARTMENT HEAD:** John Jacks

**COUNCIL DISTRICTS IMPACTED:** District 1

**SUBJECT:**

Market Square Lease Assignment

**SUMMARY:**

This ordinance authorizes the lease assignment of Yesi's the Li't Dove, located in Farmers Market, to Alexia Flores, doing business as Casa Frida. The lease with Ms. Flores will continue through September 30, 2025.

**BACKGROUND INFORMATION:**

Jorge Chavez and Alma Delia Badillo lease space in the Farmers Market building to operate Yesi's Li't Dove, a family-owned imported clothing store that has been in business for over twenty years. The family now wishes to assign the lease to Alexia Flores.

**ISSUE:**

The City has leased 672 square feet of space in Farmers Market to the Chavez family for over twenty years. The tenant now wishes to assign their lease to a non-family member. Per the lease

agreements with all Farmers Market and El Mercado tenants, when a tenant has 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 market rate. Accordingly, upon execution of the lease assignment, the lease rate will increase from the current rate of \$1.59 per square foot to the market rate of \$2.60 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 jeopardizing the continued operation of an imported clothing shop in Farmers Market and foregoing additional revenue from a lease assignment fee and an increase in the lease rate.

#### **FISCAL IMPACT:**

This ordinance approves the lease assignment of Yesi's the Li't Dove, located in Farmers Market, to Alexia Flores, doing business as Casa Frida. The FY 2023 fiscal impact is \$7,072.32, consisting of a \$3,000.00 assignment fee and additional lease revenue of \$4,072.32. Revenue from this lease assignment will be deposited in the City's Market Square Improvement Fund.

#### **RECOMMENDATION:**

Staff recommends approval of this ordinance authorizing the approval of the lease assignment of Yesi's Li't Dove to Alexia Flores dba Casa Frida.