

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
PARKS AND RECREATION DEPARTMENT**

TO: Mayor and City Council

FROM: Malcolm Matthews, Director, Parks and Recreation Department

THROUGH: Terry M. Brechtel, City Manager

COPIES: Melissa B. Vossmer; Finance; Management and Budget; Legal; File

SUBJECT: Ordinance Authorizing a One Year Lease Agreement with A Fruity Affair for Lease of Sidewalk Patio Space on the San Antonio RiverWalk in City Council District 1.

DATE: December 19, 2002

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes the execution of a standard one (1) year Lease Agreement with Mr. Kiran Bhalla, d/b/a/ A Fruity Affair, a restaurant, for lease of sidewalk patio space on the San Antonio RiverWalk in the River Center Mall lagoon area in City Council District 1 for outdoor patio dining purposes.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

The City owns properties along the San Antonio RiverWalk, which are leased to businesses through contracts negotiated by the Parks and Recreation Department Contract Services Division. The agreement under consideration is with Mr. Kiran Bhalla, d/b/a/ A Fruity Affair, a restaurant serving primarily coffee and pastries, for approximately 60 square feet of public property for outside dining purposes. The area is adjacent to River Center lease space #199 (formerly Fox Photo), at 849 E. Commerce St. - RiverWalk level. River Center has entered into a new lease with Mr. Bhalla and he has requested to utilize the patio area. This is a new lease for this business.

The term of the lease is for a one year term from January 1, 2003 through December 31, 2003, with provisions for two additional renewal terms of two years each (a potential total lease term of five years). The renewal terms are contingent upon the successful completion of the prior term. The agreement specifies a rent of \$2.25 per square foot per month for the first year (\$1,620.00 annually), increasing each year by a rate of two and one-half percent. This rate is consistent for this area of the RiverWalk.

POLICY ANALYSIS

The lease agreement is consistent with other leases presently in effect for space on the San Antonio RiverWalk. It continues the City's policy to enter into agreements that provide good quality

entertainment and restaurant services for visitors to this important City Parks and Recreation Department facility.

FISCAL IMPACT

The monthly rental is \$2.25 per square foot per month for the first lease year and will increase by a rate of two and one-half percent (2.5%) per square foot per year, commencing on the anniversary date of each remaining lease year. The City will receive the following rental income from this proposed Lease Agreement:

First 12 months: \$2.25 per square foot per month, \$1,620.00/annually

If Renewal Exercised and Approved:

Second 12 months: \$2.31 per square foot per month, \$1,663.20/annually

Third 12 months: \$2.36 per square foot per month, \$1,699.20/annually

If Second Renewal Exercised and Approved:

Fourth 12 months: \$2.42 per square foot per month, \$1,742.40/annually

Fifth 12 months: \$2.48 per square foot per month, \$1,785.60/annually

These rental fees are deposited into the City's RiverWalk Capital Improvements Fund.

COORDINATION

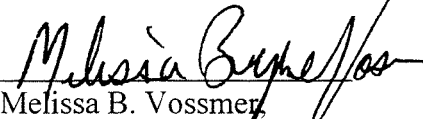
The City Attorney's Office, Risk Management and Asset Management have reviewed and approved this standard lease agreement.

SUPPLEMENTARY COMMENTS

The Discretionary Contracts Disclosure Form completed by Mr. Kiran Bhalla is attached.



Malcolm Matthews,
Director of Parks and Recreation



Melissa B. Vossmer,
Assistant City Manager

Approved:



Terry M. Brechtel
City Manager

City of San Antonio
Discretionary Contracts Disclosure*

*For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State Not Applicable for questions that do not apply.*

** This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.*

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the city in the enforcement of provisions contained in the City Charter and the code of ethics, an individual or business entity seeking a discretionary contract from the city is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract;

N/A

(2) the identity of any **business entity** that would be a party to the discretionary contract:

N/A

and the name of:

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract;

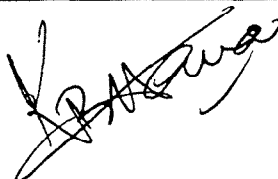
N/A

(B) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary business* entity, of any individual or business entity who would be a party to the discretionary contract;

N/A

(3) the identity of any **lobbyist** or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.


N/A



Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
N/A		

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question¹ as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

<div>Signature: </div>			<div>Title: <u>Owner</u> Company: <u>A Forty Affairs</u></div>			<div>Date: <u>12/12/2012</u></div>		
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¹ For purposes of this rule, facts are “reasonably understood” to “raise a question” about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.