



**Lease Agreement with
Surf City Partners, LLC
for 21 and 22 Main Street
at the Huntington Beach Pier**

October 1, 2024

Project Overview



Project Background

PIER CONCESSION OPPORTUNITY

21 Main Street, Huntington Beach, CA 92648



REQUEST FOR QUALIFICATIONS



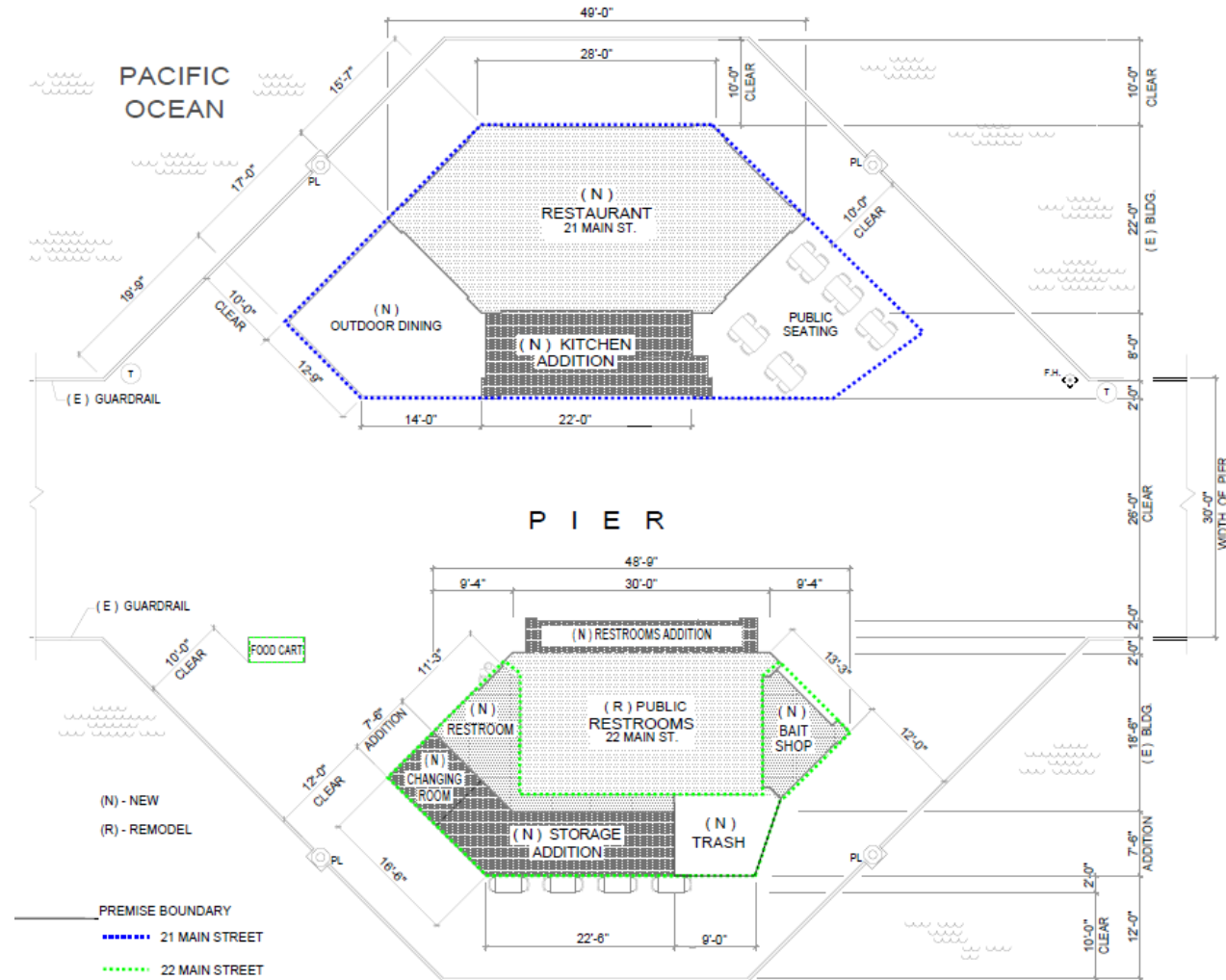
- 2021: City released an RFQ for an 800 SF concession space at 21 Main Street.
- Surf City Partners, LLC (SCP) was selected to convert the space into a restaurant and bait-and-tackle shop.
- 2022: Exclusive Negotiation Agreement was amended to include the restroom building at 22 Main Street.

Project Proposal

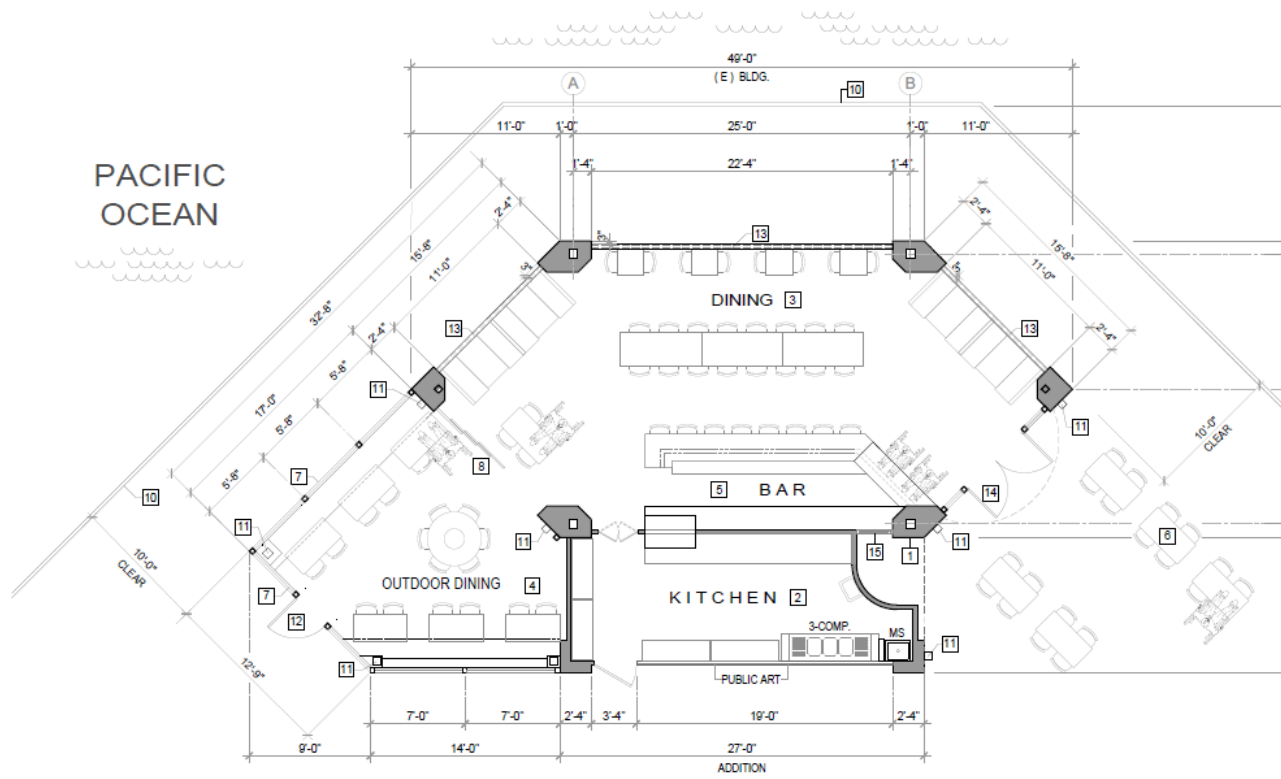
- Huntington's: New restaurant/bar with outdoor seating and a walk-up window.
- 21 Main Street: 220 SF addition to existing building, allowing for a total occupancy of 75.
- 22 Main Street: Remodel of public restrooms, addition of bait-and-tackle shop, and new storage area.
- Approvals: Design Review Board, Conditional Use Permit (CUP), and Coastal Development Permit (CDP).



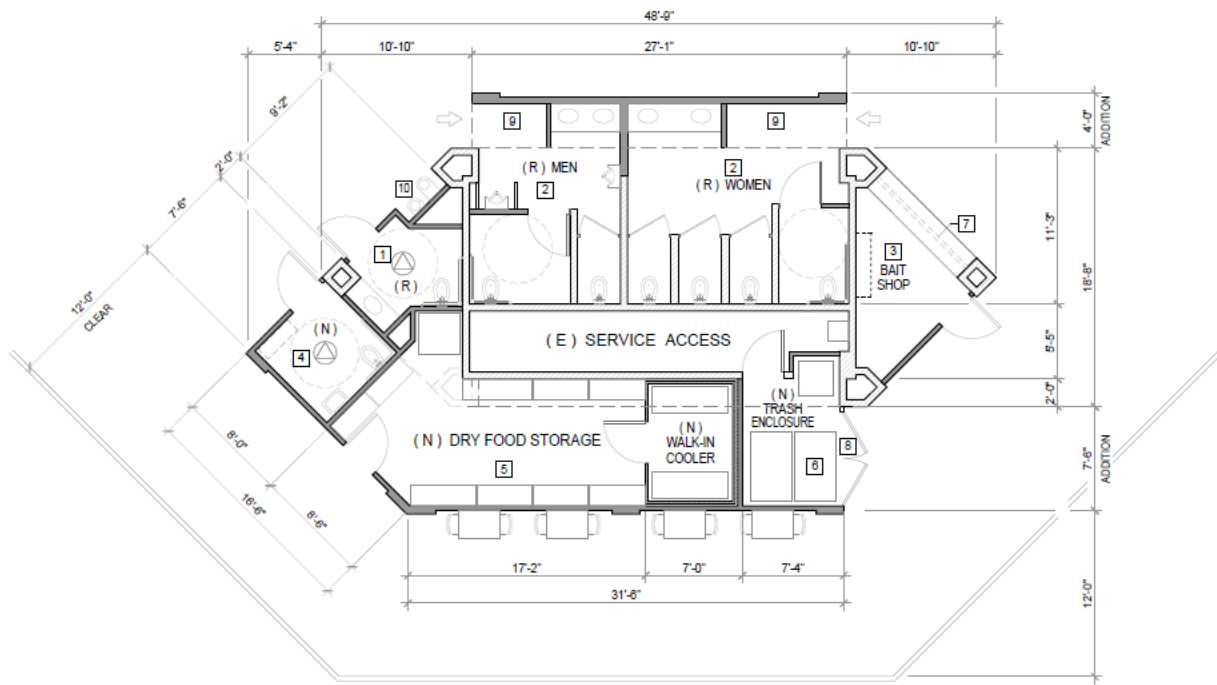
Lease Boundary



Proposed Floor Plans



P I E R



Public Restroom Remodel



Bait Shop Relocation



Lease Terms

Base Rent	\$66,000 per year (\$5,500 per month), with 3% annual increases
Percentage Rent	3% of gross sales over \$2 million per year
Rent Commencement	Earlier of business opening or 15 months following lease execution
Rent Credit	\$300,000 for restroom improvements at 22 Main Street (applied over approx. 5 yrs)
Term	Initial term (approx. 19 years) to align with City's lease (2043) with the State with three 10-year extension options
Permit Fees	Waiver of up to \$50,000 in plan check and building inspection fees

Project Benefits

- New restaurant and bar with outdoor seating and walk-up window.
- Remodeled public restrooms with enhanced ADA compliance.
- New bait-and-tackle shop and additional fishing pole holders/recycling bins.
- Biannual fishing derby for youth.
- 20-25 new jobs created.
- \$1 million in building improvements
- Public Art Mural
- Locally Owned & Managed



Recommendation

Approve and authorize the Mayor and City Clerk to execute the “Lease Between the City of Huntington Beach and Surf City Partners, LLC”

Approve the waiver of up to \$50,000 in City permit fees affiliated with plan check and building division inspection fees.



Thank you

