



City of Huntington Beach

File #: 19-882

MEETING DATE: 9/3/2019

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Dave Kiff, Interim City Manager

PREPARED BY: Kellee Fritzal, Deputy Director of Economic Development

Subject:

Approve and authorize execution of a License Agreement between the City and Subhash and Sushila Patel DBA One Fine Blend to operate a food concessionaire stand located at the Central Library

Statement of Issue:

Request for City Council to approve the three year Non-Exclusive License Agreement with one (1) three (3) year option to Subhash and Sushila Patel, DBA One Fine Blend to continue the operation of a food concessionaire stand located at the Central Library.

Financial Impact:

The estimated revenue for the City is \$9,000 annually for the base rent. In addition, the City will receive 3% of the monthly gross sales over \$12,000. Revenue will be deposited into the General Fund.

Recommended Action:

Approve and authorize the Mayor and City Clerk to execute a three (3) year "Non-Exclusive License Agreement Between the City of Huntington Beach and Subhash and Sushila Patel, Individuals, Doing Business As One Fine Blend."

Alternative Action(s):

Do not approve the License Agreement and direct staff accordingly

Analysis:

Subhash and Sushila Patel, individuals doing business as One Fine Blend, have operated the concessionaire stand at the Central Library since 2011. The library area used by One Fine Blend is approximately 326 square feet, and they sell various snacks and coffee. They are currently paying \$750.00 per month and 3% of any gross monthly sales that exceed \$12,000, which is consistent with current market rates for comparable concession businesses. The lease is subject to an annual increase based upon the Consumer Price Index with a minimum of 3% but not to exceed 6%. Based upon the Licensee's qualifications and previous experience with the City, the Office of Business

Development and the Library are recommending approval of the License Agreement. The Economic Development Committee (EDC) reviewed and recommended approval of the Agreement at the July 10, 2019, meeting.

Environmental Status:

N/A

Strategic Plan Goal:

Strengthen long-term financial and economic sustainability

Attachment(s):

1. Non-Exclusive License Agreement between the City of Huntington Beach and Subhash and Sushila Patel, DBA One Fine Blend.