



City of Huntington Beach

File #: 23-210

MEETING DATE: 3/21/2023

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Al Zelinka, City Manager

VIA: Chris Slama, Director of Community & Library Services

PREPARED BY: Chris Cole, Community & Library Services Manager

Subject:

Approve and authorize execution of Amendment to Lease Amendment between the City of Huntington Beach and Michael and Christie Bartusick for Park Bench Café, for the operation of a restaurant/food concession in Huntington Central Park

Statement of Issue:

The City Council is asked to approve a ten-year Lease Amendment between the City of Huntington Beach and Michael and Christie Bartusick, for the continued operation of Park Bench Café for the operation of a restaurant/food concession in Huntington Central Park located at 17732 Goldenwest Street, Huntington Beach, California.

Financial Impact:

Monthly, the City will receive a minimum base rent or a percentage of gross revenues generated at the facility, whichever is greater. Beginning with Year 2 of the Amendment, the base rent will be increased annually by the Consumer Price Index for the Los Angeles - Long Beach - Anaheim, CPI-U. The percentages are defined below:

Years 1 through 10

\$0 - \$100,000.00 of Gross Sales	8.0%
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\$100,000.01 - \$150,000.00 of Gross Sales	9.0%
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Over \$150,000.00 of Gross Sales	10.0%
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Minimum Base Rent	\$1,451.50 per month plus annual CPI increases
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Recommended Action:

Approve and authorize the Mayor and City Clerk to execute the "Amendment to Lease Amendment between the City of Huntington Beach and Michael and Christie Bartusick, dba Park Bench Café" for a restaurant/food concession in Huntington Central Park.

Alternative Action(s):

Do not approve the recommended action and direct staff accordingly.

Analysis:

The Park Bench Café is an existing restaurant/food concession located in Huntington Central Park at 17732 Goldenwest Street. The outdoor café was established in 1988, and remains a popular establishment that caters to park visitors as well as residents. The facility is well run and has been a source of steady rental income for the City of Huntington Beach.

City Council approved a 10-year lease with Michael and Christie Bartusick (Lessee) on August 6, 2012. The lease with Park Bench Café is now due for renewal. Lessee agrees to a 10-year lease term, wherein rental payments are based on a percentage of gross sales, or a minimum base rent of \$1,451.50 per month, whichever is greater, plus CPI annual increases. Lessee shall operate the café a minimum of 250 days during the calendar year, for a minimum of four (4) hours per day. Lessee, at his/her sole cost and expense, shall equip, operate, manage and maintain the premises in good safe working condition.

As stated in the original lease, lessee's obligations include:

- Maintain and operate the premises and adjacent areas within 50 feet in clean, safe, wholesome and sanitary condition free of trash, garbage or obstructions of any kind and in compliance with any and all present and future laws, codes, rules or regulations.
- Perform maintenance and repairs including landscape maintenance.
- Paint, stain or seal the Premises' exterior surfaces a minimum of every three years unless City determines in its sole discretion that such work shall be done on a more frequent basis.
- All exterior metal surfaces, except the roof, shall be painted with rust resistant paint no less than once every other year.
- Remove any and all graffiti on the Premises at its sole cost and expense within 48 hours of Lessee receiving notice thereof or Lessee becoming aware of such graffiti.
- Shall repair and/or replace any broken glass within 48 hours regardless of cause, except by fault of City, at its sole cost and expense.
- Repair and/or replace all damage or destruction to the Premises caused by act(s) of vandalism as soon as possible but in no event later than 14 days after the date such damage or destruction occurred.
- Responsible for the payment of all utility charges, including, without limitation, gas, electricity, water, telephone services, cable TV services, internet services, and any other technology services available during the term of this Leases, as well as sewage disposal.
- Responsible for all trash containers and/or trash bins shall be adequately screened and located to the satisfaction of the City.

As stated in the original lease, City's obligations include:

- Maintaining all sewer and drain lines and roofs.
- May from time to time review the items sold and containers or utensils used.
- Reserves the right to prohibit the sale or use of non-recyclable containers or plastics.
- Reserves the right to prohibit lessee's sale, provision or rental of any item or service rendered or performed, which it deems objectionable or offensive, beyond the scope deemed necessary for proper service to the public.
- The right to approve and at any time require Lessee to change or remove signs, names, placards, decorations or advertising place on, or inscribed, painted or affixed upon the

Premises.

Lessee has agreed to and signed the attached lease amendment. The lease rates are consistent with current market rates for comparable City concession agreements. Based upon Lessee's qualifications and previous experience with the City, staff recommends approval of the lease amendment.

Environmental Status:

Not applicable.

Strategic Plan Goal:

Community Engagement

Attachment(s):

1. Amendment to Lease Amendment between the City of Huntington Beach and Michael and Christie Bartusick, dba Park Bench Café.
2. Lease Agreement between the City of Huntington Beach and Michael and Christine Bartusick, dba Park Bench Café dated August 6, 2012.