



# City of Huntington Beach

File #: 23-212

MEETING DATE: 5/2/2023

## REQUEST FOR CITY COUNCIL ACTION

**SUBMITTED TO:** Honorable Mayor and City Council Members

**SUBMITTED BY:** Al Zelinka, City Manager

**VIA:** Ashley Wysocki, Acting Director of Community & Library Services

**PREPARED BY:** Chris Cole, Acting Deputy Director of Community & Library Services

**Subject:**

**Approve and authorize License Agreement between the City of Huntington Beach and Subhash and Sushil Patel, Individuals, dba One Fine Blend for operation of food and beverage kiosk located at the Huntington Beach Central Library**

**Statement of Issue:**

The City Council is asked to approve and authorize a three-year License Agreement with up to two (2) additional one (1) year terms between the City of Huntington Beach and Subhash and Sushil Patel, dba One Fine Blend for the continued operation of a food and beverage kiosk at Huntington Central Library located at 7111 Talbert Avenue, Huntington Beach, California.

**Financial Impact:**

The estimated annual base rent revenue to be received by the City is \$10,200. In addition, the City will receive 3% of the monthly gross sales over \$12,000.

**Recommended Action:**

Approve and authorize the Mayor and City Clerk to execute the "License Agreement between the City of the City of Huntington Beach and Subhash and Sushil Patel, dba One Fine Blend" for a food and beverage kiosk located at the Huntington Beach Central Library.

**Alternative Action(s):**

Do not approve the recommended action, 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. The proposed base rent is \$850 per month or \$10,200 annually. Additionally, Licensee shall pay three percent (3%) of any gross monthly sales that exceed \$12,000. The lease is subject to an annual increase based upon

the Consumer Price Index with a minimum of three percent (3%) but not to exceed six percent (6%).

A summary of the Licensee's obligations as included in the Agreement is provided below.

- Shall maintain and operate premises pursuant to Food Facility Health permit issued by the Orange County Environmental Health Agency.
- Provide administration, marketing and supervision of the Kiosk operation.
- Shall be solely responsible for set up and takedown within operating hours.
- Responsible for all permitting, insurance, tax liability.
- May have access to the kitchen no earlier than 8:00 am on Tuesdays & Fridays for up to four (4) hours to allow for food preparation, with precedence being give to the Library when there are library events.
- Use of kitchen is prohibited when the Library is rented for public use unless prior written approval is obtained.
- Deliveries must be made during permitted operating hours.
- Responsible for equipment or furnishings needed to operate.
- Responsible for repairs of equipment at their own cost and expense.
- Maintain the cleanliness of Kiosk area, keeping it in a safe and sanitary manner, leaving premises completely clean and free of trash and debris daily.
- Equipment, supplies may not block any door, isles, ingresses or egresses.
- Inability to maintain organization and/or cleanliness of the Kiosk area shall be considered a violation of the Agreement.
- Abide by the Library's code of conduct.
- Service is expected to be timely, attentive, and friendly.
- Employees should be clean, neat, and well-groomed.
- May not use non-public space not accessible to the public or ask for any special favors.
- Shall not ask City employees to represent them, make recommendations on their behalf, or endorse their products other than those that are a part of official duties.

A summary of the Licensor's (City') obligations as included in the Agreement is provided below

- May change the standard hours of operation (Mondays, 1:00 pm - 8:30 pm; Tuesday-Thursday, 9:00 am to 8:30 pm, Friday-Saturday 9:00 am - 5:00 pm, Sunday, 1:00 pm - 5:00 pm) due to specific events, weather, natural disaster, facility issues, health and safety.
- Will notify Licensee no less than 72 hours in advance should a change in schedule be required.
- Approves any display items, furniture or appliances to be used.
- Reserves the right to bar any Licensee staff it deems necessary for the safety of the public and staff.
- City may require Licensee and staff to provide Live Scan background check at no cost to the City.
- May consider termination after two violations.

Based upon the Licensee's qualifications and previous experience with the City, the Community & Library Services and Community Development Departments are recommending approval of the License Agreement.

**Environmental Status:**

Pursuant to CEQA Guidelines Section 15378(b)(5), administrative activities of governments that will not result in direct or indirect physical changes in the environment do not constitute a project.

**Strategic Plan Goal:**

Community Engagement

**Attachment(s):**

1. License Agreement between the City of Huntington Beach and Subhash and Sushila Patel, dba One Fine Blend
2. Non-Exclusive License Agreement between the City of Huntington Beach and Subhash and Sushila Patel, dba One Fine Blend dated September 3, 2019
3. One Fine Blend PowerPoint