



City of Huntington Beach

File #: 23-357

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: Ursula Luna-Reynosa, Director of Community Development

PREPARED BY: Kriss Casanova, Economic Development Manager

Subject:

Approve and Authorize Execution of a License Agreement between the City of Huntington Beach and the Huntington Beach Credit Union for ATM Services at City Hall

Statement of Issue:

The City Council is asked to approve a five-year License Agreement with the Huntington Beach Credit Union (Licensee) for use of City Hall property to provide an automated teller machine (ATM) as a financial convenience and service.

Financial Impact:

There is no financial impact or revenue associated with this License. The Licensee will be responsible for all fees associated with installing and maintaining the ATM.

Recommended Action:

Approve and authorize the Mayor and City Clerk to execute the "Non-Exclusive License Agreement between the City of Huntington Beach and the Huntington Beach Credit Union for ATM Services at City Hall."

Alternative Action(s):

Do not approve the license agreement and direct staff accordingly.

Analysis:

The Licensee's primary purpose is to serve and provide convenient, low-cost financial products and banking services to Huntington Beach City employees and their family members pursuant to their original 1953 charter. Since 1974, the Licensee has leased a 1,369 square foot room (B-272) on the lower level of City Hall. Annual rent is approximately \$36,238. The lease expires June 30, 2027 and has one remaining five-year option.

It has long been the intention of the Licensee to install an ATM at City Hall to provide convenience to

all City employees, not just those who are members of the credit union. The need for this amenity was exacerbated during the pandemic when City Hall was closed to the public. ATMs are not just a source for withdrawing money but also making deposits and transfers between accounts with secure debit chipped cards. Members that belong to the credit union COOP network would not be charged fees for withdrawals or deposits.

To provide its members with this added service, the Licensee requested use of additional city property in an easily accessible location to install an ATM. Economic Development staff worked with Police and Public Works staff to identify a safe location in close proximity to an electrical source. A location outside of the Police Department entrance was identified as shown in Exhibit 1 of Attachment 1. The ATM will have lighting, an alarm, and a camera in addition to the City's surveillance.

The City Attorney's Office has prepared a License Agreement (Attachment 1) for the ATM that includes the following terms:

- There is no charge for the physical placement of the ATM since it is ancillary to the primary location and the credit union does pay rent for that space (see Attachment 2 for lease agreement); however, Licensee is required to pay all associated utility fees.
- Licensee is required to obtain insurance and permits, and is responsible for the maintenance of the ATM and all installation fees.

Licensee has agreed to and signed the attached License Agreement. Based upon Licensee's desire to enhance service primarily to City Hall employees, staff recommends approval of the agreement. Additionally, staff identified a number of other credit unions with ATMs on City properties.

Environmental Status:

The approval of the License Agreement will not result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and is therefore not a "project" per Section 15378 of the California Environmental Quality Act (CEQA) Guidelines.

Strategic Plan Goal:

Non Applicable - Administrative Item

Attachment(s):

1. License Agreement for ATM
2. Lease Agreement for Credit Union Office (suite B-272)
3. PowerPoint Presentation