



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
October 27, 2009

Honorable Mayor and
Members of the City Council

Title: Agreement: Downtown Sacramento Partnership

Location/Council District: Cesar Chavez Plaza, Council District 1

Recommendation: Adopt a **Resolution:** authorizing the City Manager to execute an agreement with the Downtown Sacramento Partnership for programming and other services for Cesar Chavez Plaza for a total amount not to exceed \$171,000 over the next five years.

Contact: Lori Harder, Support Services Manager, 808-5172

Presenters: None

Department: Parks and Recreation

Division: Administration

Organization No: 19001011

Description/Analysis

Issue: In 2004, Council approved a 5-year lease, with two 5-year options, for restaurant services in Cesar Chavez Plaza with Jorge and Nicole Ix, doing business as Café Soleil (City Agreement No. 2004-0125) (Café Soleil Lease). In a separate agreement with the Downtown Sacramento Partnership (DSP), the City agreed to provide DSP with the rent revenue received during the initial 5-year term of the Café Soleil Lease to be used to support programming for the park and facilitate the coordination of park maintenance, repair, and renovation activities with City staff. The initial 5-year term of the Café Soleil Lease and the agreement with DSP both expired on July 31, 2009. Café Soleil exercised its option to renew the Café Soleil Lease for a second 5-year term beginning on August 1, 2009. To ensure continuity of the essential services provided by DSP for Cesar Chavez Plaza, staff is recommending that the City Council authorize the City Manager to enter into a new 5-year agreement with DSP for these services. The total amount of the agreement over the 5-year period, to coincide with the second 5-year term of the Café Soleil Lease, is not to exceed \$171,000.

Policy Considerations: The action requested is consistent with Title 3 of the Sacramento City Code and is consistent with the City's Strategic Plan to promote and support economic vitality.

California Environmental Quality Act (CEQA): This report concerns administrative activities that will not have any significant effect on the environment and that do not constitute a "project", as defined by the California Environmental Quality Act (CEQA) [CEQA Guidelines Sections 15061(b)(3); 15378(b)(2)].

Sustainability Considerations: The agreement between DSP and the City of Sacramento is consistent with the goals, policies and targets of the Sustainability Master Plan and the Parks and Recreation Sustainability Plan.

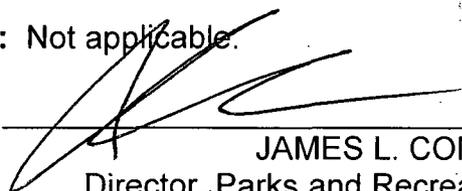
Commission/Committee Action: None with this item.

Rationale for Recommendation: The recommended action is necessary to continue to support programming such as the Farmer's Market, free Friday Night concerts, lunch time entertainment, and other special events as well as to provide park improvements, coordination of park maintenance activities, and public safety of Cesar Chavez Plaza. The term of the agreement with DSP would be from August 1, 2009 to July 31, 2014, and would coincide with the second 5-year term of the Café Soleil Lease.

Financial Considerations: To be consistent with Council prior direction, in the prior lease for restaurant services in Cesar Chavez Plaza, and to ensure continuity of the essential services provided by DSP for Cesar Chavez Plaza, it is recommended that DSP continue to receive the rent revenue from the Café Soleil Lease during the second 5-year term in an amount not to exceed \$171,000 to help support programming for the park and to facilitate the coordination of park maintenance, repair, and renovation activities with City staff.

Emerging Small Business Development (ESBD): Not applicable.

Respectfully Submitted by:


JAMES L. COMBS
Director, Parks and Recreation

Recommendation Approved:


RAY KERRIDGE
City Manager

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Attachment 1

Background

In 2004, the City Council adopted Resolution #2004-651 which authorized the City Manager to execute a 5-year lease, including two 5-year renewal options, for restaurant services in Cesar Chavez Plaza with Jorge and Nicole Ix, doing business as Café Soleil (Café Soleil Lease). In 2005, the City Manager entered into an agreement with the Downtown Sacramento Partnership (DSP) (City Manager Agreement #2005-0379) in which the City agreed to provide DSP with the rent revenue received during the initial 5-year term of the Café Soleil Lease to be used specifically for programming for the park and to facilitate the coordination of park maintenance, repair and renovation activities with City Staff.

The initial 5-year term of the Café Soleil Lease and the agreement with DSP both expired on July 31, 2009. Café Soleil exercised its option to renew the Café Soleil Lease for a second 5-year term beginning on August 1, 2009. The Café Soleil Lease provides for step increases in rent during the second 5-year term.

Consistent with Council direction in a prior lease for restaurant services in Cesar Chavez Plaza, and to ensure continuity of the essential services provided by DSP for Cesar Chavez Plaza, it is recommended that DSP continue to receive the rent revenue from the Café Soleil Lease during the second 5-year term to help support programming for the park and to facilitate the coordination of park maintenance, repair, and renovation activities with City staff. The term of the agreement with DSP would be from August 1, 2009 to July 31, 2014, and would coincide with the second 5-year term of the Café Soleil Lease.

RESOLUTION NO. 2009-

Adopted by the Sacramento City Council

October 27, 2009

DOWNTOWN SACRAMENTO PARTNERSHIP AGREEMENT

BACKGROUND

- A. The City Council adopted Resolution #2004-651 which authorized the City Manager to execute a 5-year lease, including two 5-year renewal options, for restaurant services in Cesar Chavez Plaza with Jorge and Nicole Ix, doing business as Café Soleil (Café Soleil Lease).
- B. In 2005, the City Manager entered into an agreement with the Downtown Sacramento Partnership (DSP) (City Manager Agreement #2005-0379) in which the City agreed to provide DSP with the rent revenue received during the initial 5-year term of the Café Soleil Lease to be used specifically for programming for the park and to facilitate the coordination of park maintenance, repair and renovation activities with City Staff.
- C. The initial 5-year term of the Café Soleil Lease and the agreement with DSP both expired on July 31, 2009. Café Soleil exercised its option to renew the Café Soleil Lease for a second 5-year term beginning on August 1, 2009. The Café Soleil Lease provides for step increases in rent during the second 5-year term.
- D. Consistent with Council direction in a prior lease for restaurant services in Cesar Chavez Plaza, and to ensure continuity of the essential services provided by DSP for Cesar Chavez Plaza, a new agreement with DSP would allow DSP to continue to receive the rent revenue from the Cafe Soleil Lease during the second 5-year term to help support programming for the park and to facilitate the coordination of park maintenance, repair, and renovation activities with City staff. The term of the agreement with DSP would be from August 1, 2009 to July 31, 2014, and would coincide with the second 5-year term of the Café Soleil Lease.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Manager is authorized to execute an agreement with the Downtown Sacramento Partnership for programming and other services for Cesar Chavez Plaza for a total amount not to exceed \$171,000 over the next five years.