RESOLUTION NO. 2006-903

Adopted by the Sacramento City Council

December 12, 2006

AGREEMENT TO LEASE RETAIL SPACE AT CAPITOL GARAGE TO WEN-HSING AND SOPHIA SUN, DBA CAFÉ CONNECTION

BACKGROUND

A. Wen-Hsing and Sophia Sun purchased Café Connection in August 2002. It is located at 1007 L Street in the City's Capitol Garage. The restaurant serves a variety of sandwiches, salads, and breakfast items.

B. Their prior lease agreement with the City (City Agreement #89-124-4) expired March 1, 2005 and they have been renting on a month-to-month basis until terms of a new lease agreement have been finalized.

C. The term of the new lease is for 5 years with a 5-year option. Based on a market rate of $1.85 per square foot, monthly rent payments will begin at $2,682.50 per month and increase 3% annually.

D. No new construction is planned, so the City will not be contributing a tenant improvement allowance.

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

Section 1. The City Manager is authorized to execute a lease agreement with Wen-Hsing and Sophia Sun.

Adopted by the City of Sacramento City Council on December 12, 2006 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: None.

Heather Fargo

Mayor, Heather Fargo

Attest: Shirley Concolino

Shirley Concolino, City Clerk