



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2671
www. CityofSacramento.org

CONSENT CALENDAR
May 4, 2006

Honorable Mayor and
Members of the City Council

Subject: Jump Start Café Consent to Assignment Agreement

Location/Council District: Downtown/District 1

Recommendation: This report recommends the City Council approve the attached resolution authorizing and directing the City Manager to execute the attached Consent to Assignment of City Agreement No. 2001-029 with John Shahabian, dba Jump Start Café, to World of Good Tastes, Inc., dba La Bou Bakery and Cafe.

Contact: Howard Chan, Parking Services Manager, 808-7488

Presenters: None

Department: Transportation

Division: Parking Services

Organization No: 3461

Summary: The attached resolution authorizes and directs the City Manager to execute a Consent to Assignment Agreement with John Shahabian who is requesting to assign his lease agreement with the City, CA# 2001-029, to World of Good Tastes, Inc. (WOGT). Mr. Shahabian is owner of Jump Start Café, located at 1122 11th Street in the City's Capitol Garage and he is selling his business to WOGT, which would open and operate a La Bou Bakery and Café.

Committee/Commission Action: None

Background Information:

- On March 1, 2001 John Shahabian, the owner of The Coffee Works, Inc., entered into a 5 1/2 year lease agreement with the City of Sacramento (CA# 2001-029) for commercial retail space located at 1122 11th Street in the City's Capitol Garage. Mr. Shahabian has exercised the first of two 5-year options, extending the term through August 2011.
- Mr. Shahabian would like to sell his business to World of Good Taste, Inc., which plans to open and operate a La Bou Bakery and Café.

- Per the terms of the lease, Mr. Shahabian has the right to assign his lease provided he obtains the City's consent.

Financial Considerations:

- Fair Market Rent for the extended term is \$7,065 per month (approximately \$1.80/sqft). Total revenue collected over the first year of the extended term will be \$84,780. Annual rate increases will be based on the Consumer Price Index.

Environmental Considerations: None

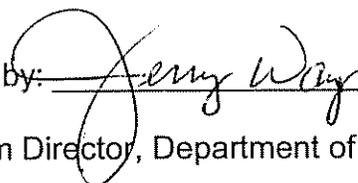
Policy Considerations:

The resolution is consistent with the City's strategic plan and the goal of the City Council to expand economic development throughout the city.

Emerging Small Business Development (ESBD):

None. No goods or services are being purchased.

Respectfully Submitted by:  _____
 Howard Chan
 Parking Services Manager

Approved by:  _____
 Jerry Way
 Interim Director, Department of Transportation

Recommendation Approved:

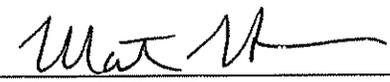
 _____
 RAY KERRIDGE
 City Manager 

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RESOLUTION NO.

Adopted by the Sacramento City Council

May 4, 2006

RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE CONSENT TO ASSIGNMENT OF CITY AGREEMENT NO. 2001-029 WITH JOHN SHAHABIAN, DBA JUMP START CAFÉ, TO WORLD OF GOOD TASTES, INC., DBA LA BOU BAKERY AND CAFE

BACKGROUND

- A. On March 1, 2001 John Shahabian, the owner of The Coffee Works, Inc., entered into a 5 1/2 year lease agreement with the City of Sacramento (CA# 2001-029) for commercial retail space located at 1122 11th Street in the City's Capitol Garage. Mr. Shahabian has exercised the first of two 5-year options, extending the term through August 2011.
- B. Mr. Shahabian would like to sell his business to World of Good Taste, Inc., which plans to open and operate a La Bou Bakery and Café.
- C. Per the terms of the lease, Mr. Shahabian has the right to assign his lease provided he obtains the City's consent.
- D. Fair Market Rent for the extended term is \$7,065 per month (approximately \$1.80/sqft). Total revenue collected over the first year of the extended term will be \$84,780. Annual rate increases will be based on the Consumer Price Index.

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

Section 1. The City Manager is authorized and directed to execute the attached Consent to Assignment of City Agreement No. 2001-029 with John Shahabian, dba Jump Start Café, to World of Good Tastes, Inc., dba La Bou Bakery and Cafe.

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Exhibit A: Consent to Assignment Agreement

Adopted by the City of Sacramento City Council on May 31, 2005 by the following vote:

Clerk will insert the Vote Here