



# REPORT TO COUNCIL

## City of Sacramento

# 7

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 11<sup>th</sup> 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 11<sup>th</sup> 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.

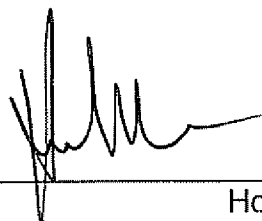
**Environmental Considerations:** None

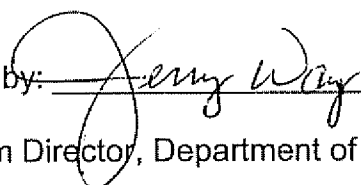
**Policy Considerations:**

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:

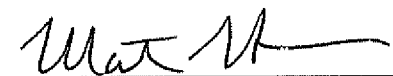

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 RAY KERRIDGE  
 City Manager 

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- Pg 4 Resolution: Exhibit A

## **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 11<sup>th</sup> 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.

#### **Table of Contents:**

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