

## Legislation Text

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**PREPARED BY:** CHARLES CHING, A2CM

**DATE OF MEETING:** 03/06/17

**SUBJECT:**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO RESCINDING RESOLUTION 2017-028 WHICH APPROVED A SUBLEASE AGREEMENT BETWEEN THE CITY OF SAN PABLO AND EAST BAY COFFEE COMPANY FOR A PORTION OF THE NEW SAN PABLO LIBRARY AND DIRECTING THE CITY MANAGER TO EXPLORE OTHER POTENTIAL VENDORS

**CITY MANAGER RECOMMENDATION**

Adopt Resolution

**COMPLIANCE STATEMENTS**

Healthy Eating Active Living initiatives and Economic Development are adopted policy item(s) under the FY 2015-17 Council Priority Workplan Update, effective October 1, 2016.

**CEQA Compliance Statement**

Not a project under CEQA.

**BACKGROUND**

On February 6, 2017, City Council adopted Resolution 2017-028 which approved a Sublease Agreement (Sublease) between the City of San Pablo (City) and East Bay Coffee Company (East Bay) for a sublease of a portion of the New San Pablo Library (Space).

Shortly after the Sublease was approved, East Bay met with City staff expressing its inability to perform its obligations under the Sublease. East Bay also sent staff an e-mail communication (attached) formally requesting withdrawal from its Sublease of the Space.

The proposed resolution rescinds Resolution 2017-028 and directs the City Manager to explore other potential vendors and to enter into formal negotiations with other interested external parties on the Space.

**FISCAL IMPACT**

The City will no longer be receiving the approximate \$1,750 per month from the Sublease and will no longer be providing the \$50,000 in Tenant Improvement Allowance proposed under the Sublease.