

**Approvals:**City Manager JMDept. Head ESAttorney SSFinance JV

# AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING  
Meeting Date: June 2, 2015

**Department:** Finance & Administrative Services  
**Prepared By:** Thomas Rendina, Business Services Officer

**Subject:** **AMENDMENT #4 TO LEASE AGREEMENT FOR OPERATION OF THE CITY'S CONCESSION AT THE END OF THE MUNICIPAL PIER**

**Fiscal Impact:** Yes. The concession revenue is included in the existing budget.

**Summary:** The current concessionaire has requested a one-year extension to the existing agreement. Randy Raneses has operated the concession at the end of the pier since 2009.

**Background:** Mr. Raneses was selected through a formal request for proposal process in 2009 to operate the concession at the end of the pier. Two extensions for one (1) year each, and a third extension for three (3) years were granted. The existing Agreement will expire on June 30<sup>th</sup>. An additional one (1) year extension has been requested and is presented for approval as the 4<sup>th</sup> Amendment to the Lease Agreement.

**Discussion:** Mr. Raneses has successfully operated the Bait and Tackle concession over the past six years. He recently approached the City with a proposal to extend the term and to formally add Damian Collins, an experienced restaurateur, to the Lease Agreement. Together, they have committed to make improvements to the kitchen area and expand the menu at the concession.

Staff met with Mr. Raneses and Mr. Collins and supports the improvements proposed by the concessionaires, the addition of Mr. Collins to the Lease agreement, and a one (1) year extension to the term of the Agreement to maintain summer service. City staff will conduct a Request For Proposal prior to the expiration of this proposed extension.

**Recommended**

**Action:** STAFF RECOMMENDS THAT the City Council approve and authorize the Mayor to sign Amendment #4 by and between the City of San Clemente and Randy Raneses and Damian Collins for the operation of the City's concession at the end of the municipal pier.

**Attachments:** Amendment #4

**Notification:** None.



## AMENDMENT NO. 4 TO LEASE

This Amendment No. 4 to Lease ("Amendment No. 4") is made this \_\_\_\_ day of \_\_\_\_\_, 2015 by and between CITY OF SAN CLEMENTE, a California municipal corporation ("Landlord") and RANDY RANESES and DAMIAN COLLINS, (hereinafter "Tenant").

### RECITALS:

- A. On June 16, 2009, Landlord and Michelle McGraw and Randy Raneses entered into a one year Lease which commenced on July 1, 2009.
- B. On June 1, 2010, Michelle McGraw relinquished her interest in the lease to Randy Raneses.
- C. On June 1, 2010, Landlord and Tenant entered into the First Amendment to the Lease Agreement, exercising the first one-year extension option and extending the term of the lease to June 30, 2011.
- D. On June 1, 2011, Landlord and Tenant entered into the Second Amendment to the Lease Agreement, exercising the second one-year extension option and extending the term of the lease to June 30, 2012.
- E. On May 15, 2012, Landlord and Tenant entered into the Third Amendment to the Lease Agreement, extending the term of the lease to June 30, 2015.
- F. Landlord and Tenant desire to amend the Existing Lease ("Amendment No. 4") to further extend the term thereof, and to approve the transfer of RANDY RANESES' one half of the interest in the lease to operate the end-of-the pier concession to DAMIAN COLLINS, as further provided herein.

**COVENANTS:**

Based upon the foregoing Recitals, which are incorporated herein by this reference, and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by both parties, Landlord and Tenant hereby agree as follows:

1. The term of the Existing Lease set forth in Section 3.01 thereof is hereby modified to add an extension to the lease for a one year term to terminate on June 30, 2016, unless sooner terminated as provided in the other provisions of the Existing Lease.
2. Article I, subsection (ii) is hereby modified to add Damian Collins as a named Tenant to the Existing Lease.
3. Except as expressly set forth herein, all of the terms of the Existing Sublease shall remain in full force and effect.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Amendment No. 4 to be effective as of the date indicated above.

**CITY OF SAN CLEMENTE**, a municipal corporation ("City")

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Joanne Baade

APPROVED AS TO FORM:

Best, Best and Krieger

By: \_\_\_\_\_  
Scott Smith  
City Attorney  
City of San Clemente

("Tenant")

Damian Collins

By: \_\_\_\_\_  
Damian Collins

("Tenant")

Randy Raneses  
630 Avenida Victoria #104  
San Clemente, CA 92672

By: \_\_\_\_\_  
Randy Raneses