



## CITY COUNCIL STAFF REPORT

DATE: January 5, 2011 CONSENT CALENDAR  
SUBJECT: THE PARADIES SHOPS, LLC – SUPPLEMENTAL STORAGE SPACE AGREEMENT  
FROM: David H. Ready, City Manager  
BY: Department of Aviation

---

### SUMMARY

This action will allow the short term lease of a small room to the Airport's gift and news shop concessionaire, The Paradies Shops LLC.

### RECOMMENDATION:

1. Approve Supplemental Storage Use Agreement with The Paradies Shops, LLC for 93 SF Storage Space #5 retroactive to December 1, 2010.
2. Authorized the City Manager to execute all necessary documents.

### STAFF ANALYSIS:

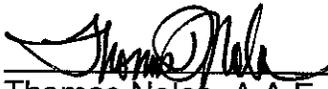
The Paradies Shops, the Airport's terminal retail news and gift concessionaire, has a long-term agreement at Palm Springs International Airport. After recent inspections by the Health Department, Paradies had discovered that they will require additional storage space in order to comply with code requirements relevant to the inventory of consumable goods. Because of the immediate need to comply with the health code issue it was necessary for the airport to provide the space promptly, subsequently the agreement's effective date is December 1, 2010. This is only a short term agreement of less than a year until Paradise determines whether or not they will need to retain the space for the long term. The room is currently vacant and located under the Bono concourse. This agreement may be cancelled by either party with a 30-day written notice and the rates are consistent with the City of Palm Springs Comprehensive Fee of \$20.06 per square foot per annum.

ITEM NO. 2.A

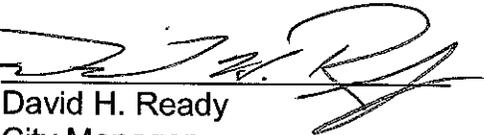
The Airport Commission has approved this recommendation and the retroactive nature of this agreement at its December 15, 2010 meeting

FISCAL IMPACT:

The Supplemental Office Space Use Agreement will result in \$1,088.29 of total additional revenue during the seven month term.



Thomas Nolah, A.A.E.  
Executive Director



David H. Ready  
City Manager

Attachment:  
Paradies Supplemental Storage Space Use Agreement

SUPPLEMENTAL STORAGE SPACE USE AGREEMENT  
THE PARADIES SHOPS, LLC

THIS SUPPLEMENTAL SPACE USE AGREEMENT, made and entered into as of this First day of December 2010, by and between the CITY OF PALM SPRINGS, a municipal corporation ("City") and PARADIES SHOPS, LLC, a Georgia limited liability company and subsidiary of the THE PARADIES SHOPS, a Georgia Corporation ("TENANT").

RECITALS

- A. City is the owner of the Palm Springs International Airport, ("Airport"), and operates thereon the Palm Springs Airport Terminal building ("Terminal").
- B. Tenant currently is party to Lease Agreement No. 4159 for Concessions at the Palm Springs International Airport.
- C. Tenant requires additional storage space on the lower level of the Terminal for the next seven months.

AGREEMENT

NOW, THEREFORE, in consideration of the promises of the parties hereto and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Tenant agree as follows:

ARTICLE I  
PREMISES, RIGHTS AND PRIVILEGES

City hereby offers to Tenant and Tenant accepts from City, for its exclusive use, except as otherwise noted, certain demised premises located in the terminal building, consisting of: Lower Level Storage Space (No. 5) containing 93 square feet as designated on Exhibit "A", attached hereto and made a part of this Agreement. Demised premises may be used by Tenant as a storage area for the storage of non-perishable supplies, fixtures and equipment required for the sale of merchandise.

ARTICLE II  
TERM OF AGREEMENT

The term of this Agreement shall be for a period commencing on December 1, 2010 and terminating on June 30, 2011.

ARTICLE III  
RENTALS, FEES AND OTHER CHARGES

The rental rate for Storage Space No. 5 shall be computed at the rate of \$20.06 per square foot per annum and shall be \$155.47 per month, payable by Tenant to City, beginning on December 1, 2010 and the first day of each month thereafter. Rental Adjustments shall be based on current City of Palm Springs Comprehensive Fee Schedule for Lower Level Storage Space / Non Signatory.

ARTICLE IV  
IMPROVEMENTS AND ALTERATIONS

No improvements, alterations or additions; other than those heretofore installed or approved by City, shall be made upon the demised premises by Tenant without the written consent of City first being obtained.

ARTICLE V  
MAINTENANCE AND OPERATION

Section 1. Utilities. City shall provide electricity to the storage space.

Section 2. Repair and Maintenance. Tenant shall, at its sole cost and expense, maintain the demised premises, including all interior improvements, constructed or installed by City or Tenant therein and shall keep said premises in good condition and repair in a neat, clean and sanitary condition, and shall furnish janitorial service.

Section 3. Trash, Garbage and Other Refuse. Tenant shall provide a complete and proper arrangement for the adequate, sanitary handling and disposal of all trash, garbage and other refuse caused as a result of the operation of its business. Tenant shall provide and use suitable, covered metal receptacles for all garbage, trash and other refuse on or in connection with the demised premises. Piling of boxes, cartons, barrels or other similar items in an unsightly or unsafe manner, on or about the demised premises, is forbidden.

ARTICLE VI  
INSURANCE

It is agreed by the parties that the broad insurance provisions provided under the Tenant's Lease agreement for Concessions No. 4159; a separate agreement, would also apply to the additional space provided for herein and Tenant agrees to comply fully with those provisions.

ARTICLE VII  
TERMINATION

Termination for Convenience. City may terminate this Agreement for its convenience at any time, in whole or in part, by giving Tenant thirty (30) days written notice thereof. Upon said notice, City shall pay Tenant those allowable costs determined by the City, in its sole discretion, to be reasonably necessary to effect such termination. Thereafter, Tenant shall have no further claims against City under this Agreement.

Tenant may terminate this Agreement at any time by giving City thirty (30) days written notice thereof.

In the event Tenant fails to vacate the demised premises within thirty (30) days of written notice of termination of this Agreement given by either Tenant or City, Tenant agrees to allow City to remove and dispose of any property belonging to Tenant and shall reimburse City for the costs associated with said removal and disposal. Thereafter, Tenant shall have no further claims against City under this Agreement.

ARTICLE VIII  
MISCELLANEOUS

Section 1. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

Section 2. The mailing address of City shall be:  
Palm Springs International Airport  
Executive Director of Aviation  
3400 E. Tahquitz Canyon Way, Suite OFC  
Palm Springs, CA 92262

Until written notice of change thereof has been given to Tenant.

Section 3. The mailing address of Tenant shall be:  
The Paradies Shops, Inc.  
5950 Fulton Industrial Blvd. S.W.  
Atlanta, Georgia 30336

Until written notice of change thereof has been given to City.

Section 4. Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on

behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which this party is bound.

(Signatures on next page)

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

ATTEST:

CITY OF PALM SPRING  
a municipal corporation

By: \_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney

CONTRACTOR: Check one: \_\_\_\_\_ Individual \_\_\_\_\_ Partnership \_\_\_\_\_ Corporation

Corporations require two notarized signatures: One from each of the following: A. Chairman of Board, President, or any Vice President: AND B. Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer

By: Donald P. Wallace  
Signature (notarized)

By: Don Marek  
Signature (notarized)

Name: Donald P. Wallace  
Title: Regional Vice President

Name: Don Marek  
Title: CEO

State of Georgia  
County of Coweta

State of Georgia  
County of Coweta

On 1/21/10 before me, Deborah W. Croker

On 1/21/10 before me, Deborah W. Croker

personally appeared Donald P. Wallace  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

personally appeared Don Marek  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

WITNESS my hand and official seal.

Notary Signature: Deborah W. Croker

Notary Signature: Deborah W. Croker

Notary Seal:  
Deborah W. Croker  
Notary Public  
Coweta County, GA  
My Commission Expires 8/8/2011

Notary Seal:  
Deborah W. Croker  
Notary Public  
Coweta County, GA  
My Commission Expires 8/8/2011

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.

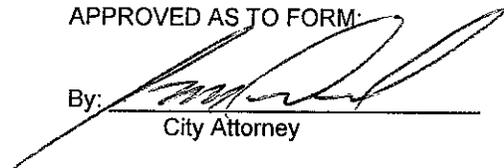
ATTEST:

CITY OF PALM SPRING  
a municipal corporation

By: \_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

By:   
City Attorney

CONTRACTOR: Check one:    \_\_\_ Individual \_\_\_ Partnership \_\_\_ Corporation

Corporations require two notarized signatures: One from each of the following: A. Chairman of Board, President, or any Vice President: AND B. Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or Chief Financial Officer.

By: \_\_\_\_\_  
Signature (notarized)

By: \_\_\_\_\_  
Signature (notarized)

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

State of \_\_\_\_\_

State of \_\_\_\_\_

County of \_\_\_\_\_

County of \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_

On \_\_\_\_\_ before me, \_\_\_\_\_

personally appeared \_\_\_\_\_  
personally known to me (or proved to me on  
the basis of satisfactory evidence) to be the  
person(s) whose name(s) is/are subscribed  
to the within instrument and acknowledged  
to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and  
that by his/her/their signatures(s) on the  
instrument the person(s), or entity upon  
behalf of which the person(s) acted,  
executed the instrument.

personally appeared \_\_\_\_\_  
personally known to me (or proved to me on  
the basis of satisfactory evidence) to be the  
person(s) whose name(s) is/are subscribed  
to the within instrument and acknowledged  
to me that he/she/they executed the same  
in his/her/their authorized capacity(ies), and  
that by his/her/their signatures(s) on the  
instrument the person(s), or entity upon  
behalf of which the person(s) acted,  
executed the instrument.

WITNESS my hand and official seal.

WITNESS my hand and official seal.

Notary Signature: \_\_\_\_\_

Notary Signature: \_\_\_\_\_

Notary Seal:

Notary Seal:

Exhibit "A"  
(see attached)

Paradies Ex A  
Bono Lower Level  
Storage Space #5

