



Agenda Item No. _____

File Code No. 330.04

CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 24, 2012

TO: Mayor and Councilmembers

FROM: Business Division, Waterfront Department

SUBJECT: Approval of Consent to Assignment of Lease No. 23,965 – Sushi Go Go

RECOMMENDATION:

That Council approve a Consent to Assignment of Lease No. 23,965 from Kyung Wang and Sarah Wang, Doing Business As Sushi Go Go, to Kyong Min Kim for the 198 square foot restaurant located at 119-B Harbor Way for a Five Year Term with one Five Year Option.

DISCUSSION:

Mr. and Mrs. Wang have operated Deli Sushi Go Go since September 2006 through a successful lease transfer process. The base rent is currently \$633.40 (\$3.20/square foot), subject to annual increases based on the Consumer Price Index. The lease requires a percentage rent of 11.4% of food, beverage, and ice cream sales, or the base rent, whichever is greater. The use of the site is limited to retail and wholesale sales of seafood, fish, fish products, smoked fish, Asian food items, sushi, and ice cream. Sale of beer and wine for on-site consumption is also permitted. In January 2012, Council adopted Ordinance No. 5577 approving a lease for a term of five years with one five year option.

Earlier this month, Mr. and Mrs. Wang of Sushi Go Go requested to assign the lease to Mr. Kyong Min Kim. The Department has run a credit check and has received the lease assignment review fee, financial information, and other documentation relevant to the transaction. Mr. Kim has been a sushi chef for over 20 years in the Los Angeles area. During those 20 years Mr. Kim has been responsible for all aspects of restaurant operation including training and managing staff, purchasing goods, and creating menus. Mr. Kim intends to continue to grow Sushi Go Go and operate it as a family-run business.

The current owners, the Wangs, are considered tenants in good standing for the purpose of assigning the lease. The CPA firm of Pyne, Waltrip, Decker and McCoy, LLP most recently audited Sushi Go Go in November 2009 and found the Wangs to be in full compliance with their lease.

In accordance with the Department's lease assignment procedure, no changes to the business terms of the lease will occur as part of this lease assignment.

The Harbor Commission approved the proposed lease transfer at their meeting on July 19, 2012.

ATTACHMENT: Site Plan

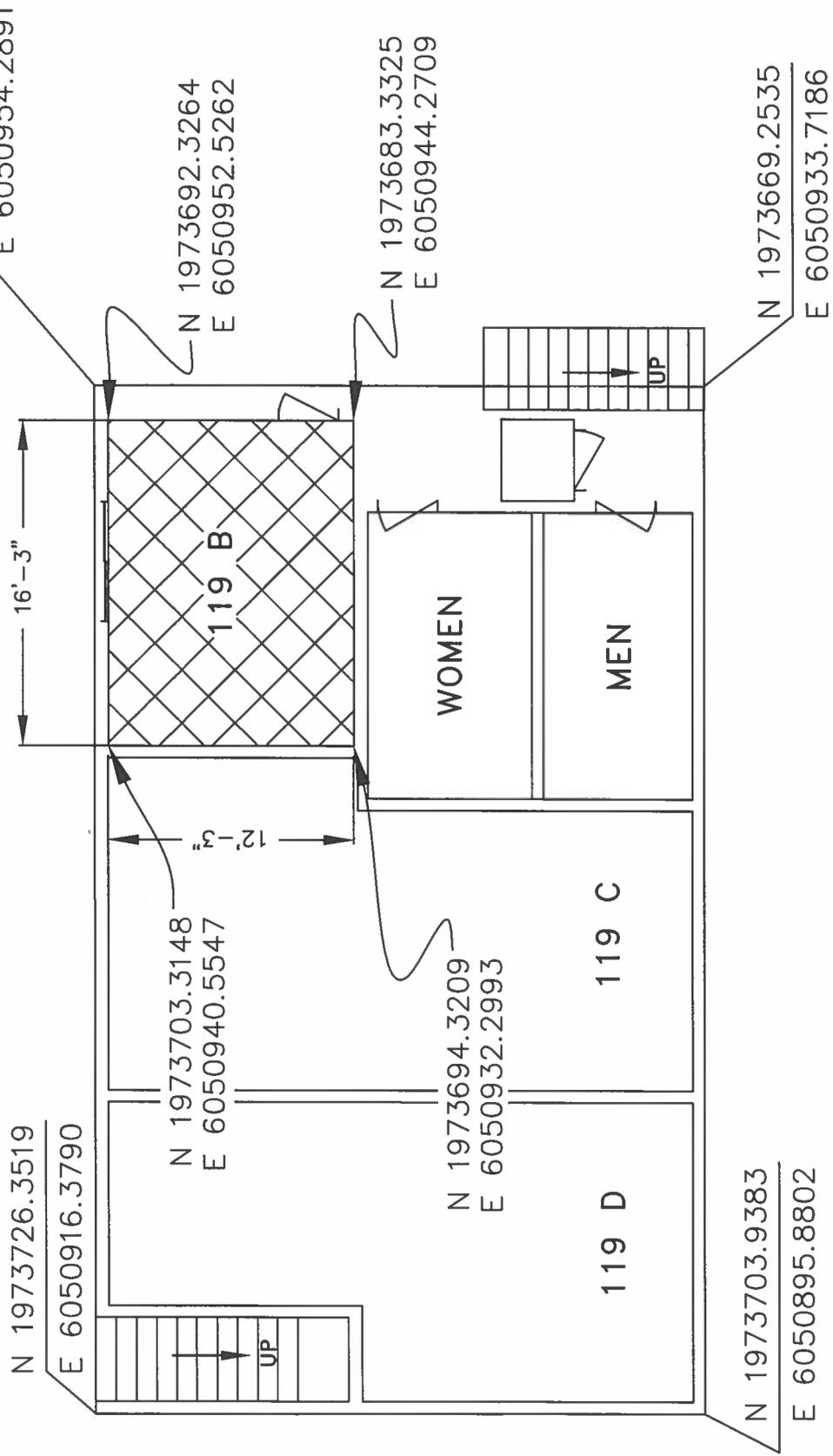
PREPARED BY: Brian Bosse, Waterfront Business Manager

SUBMITTED BY: Scott Riedman, Waterfront Director

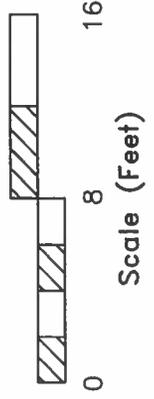
APPROVED BY: City Administrator's Office

**BROPHY BROS. BUILDING
119-B HARBOR WAY**

SUSHI GO GO - LESSEE
FIRST FLOOR PLAN
198 SF



Project North



REVISIONS		Sushi Go-Go Exhibit "A"	
1-1	1/28/01	DATE	PROJECT NO.
T. Baranick		5/13/98	119-B HARBOR WAY
			City of Santa Barbara
			Waterfront Department
		DATE	PROJECT NO.
		5/13/98	1190-020
			2 of 2