



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

FROM: City Manager

SUBJECT: Consideration of a Temporary Lease Agreement for City Owned Property Located at 2500 South Eastern Avenue between the City of Commerce and American Promotional Events, Inc.-West, a California Corporation, d.b.a. TNT Fireworks, for the Operation of a Fireworks Stand for the Fourth of July Season

MEETING DATE: May 19, 2020

RECOMMENDATION:

The City Council will make a determination regarding the Temporary Lease Agreement for City owned property located at 2500 South Eastern Avenue between the City of Commerce and American Promotional Events, Inc. – West, a California Corporation, d.b.a. TNT Fireworks, for the amount of \$1,000 from June 19, 2020 to July 10, 2020 for the operation of a fireworks stand for a local non-profit organization.

BACKGROUND/ANALYSIS:

For the past 14 years TNT Fireworks has leased a portion of the vacant lot at 2500 South Eastern Avenue to set up a temporary fireworks stand for the Fourth of July season. Fireworks stands are typically operated by non-profit organizations within our Community as a fundraising source of revenue. The fireworks stand at the subject site will be operated by the Commerce Aquatics Boosters.

TNT Fireworks understands that the property may not be available in the near future due to the redevelopment of the site, but until a development is undertaken they are interested in the opportunity to lease the subject property for the purpose of operating a temporary fireworks stand.

The lease agreement is set to commence on June 19, 2020 and expire on July 10, 2020. TNT Fireworks agrees to remove the temporary firework sales booth on or before July 10, 2020, leaving the premises clean and free of debris.

TNT Fireworks will pay the City the sum of \$1,000 for the term of the agreement. As part of the agreement they will provide a \$10,000,000 liability insurance certification that names the City of Commerce as additional insured on the policy.

Due to the Governor's orders under COVID-19, City staff has informed TNT Fireworks that all applications for firework stands are conditional and subject to change as a result of the Governor's order. TNT Fireworks believes that both state and local health officials will deem the firework stands as Phase 2; non-essential retailers. Currently non-essential retailers are limited to curbside pickup. If this requirement continues, the lot may not be able to accommodate the traffic volume that is expected during the hours of operation.

FISCAL IMPACT:

TNT Fireworks will pay the City the sum of \$1,000 for the term of the agreement to temporarily occupy the subject property for the purpose of operating a fireworks stand with the proceeds benefitting a local non-profit organization.

RELATIONSHIP TO STRATEGIC GOALS:

The issue before the Council is consistent with the Community Quality of Life Guiding Principle 1 of the City's Strategic Action Plan: *"Continue to support and create partnerships with educational institutions and organizations that work to improve the lives of our residents, including the local school district. Provide multi-generational development programs to ensure quality education and recreational opportunities"*.

Reviewed by: Josh Brooks, Acting Finance Director

Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Edgar P. Cisneros, City Manager

ATTACHMENTS:

1. Resolution
2. Lease Agreement