



CITY COUNCIL ACTION REPORT

August 18, 2008

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance & Administration
Susan A. Leirstein, Purchasing Director
Cathleen A. Russ, Library Director

SUBJECT: Library Café Space Recommendation

Background:

- On Monday, December 3, 2007, City Council approved a one-year contract amendment for Library Café Services to Zeyn Francis expiring December 31, 2008. (Resolution #2007-12-345-F17)
- Mr. Francis has since closed Steamers Café without notice on Wednesday, August 6, 2008, and verbally informed the Library Director that the café was no longer in business.
- Management recommends that the City cease café service operations at the Troy Public Library, and instead provide a seating area for patrons, with several multi-choice vending machines.

The reasons for this recommendation are as follows:

- Café patronage is very low;
- Ongoing problems with café proprietors, whose substandard service reflects poorly on the Troy Public Library. There is no guarantee there won't be similar problems with future owners;
- Grant patron requests for a space in which they can bring in food and eat inside the library;
- Will make better use of existing library space;
 - By combining the current café space and Friends Gift Shop into a large area where patrons can enjoy refreshments as well as browse the Gift Shop.
 - Doing so will reduce the amount of congestion/traffic in a very busy area.

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Re: Library Café Space

Financial Considerations:

- Potential loss of revenue: rent for the café space has been budgeted at \$750/month, \$9,000/year. However, it is my expectation that high quality vending machines could generate at least this amount, if not more.
- The City could also charge the Friends a nominal amount for rent on the Gift Shop space if deemed necessary.

Legal Considerations:

- Zeyn Francis will receive a written notice of default and remedies for reinstatement as a potential vendor after three (3) years.

Policy Considerations:

This recommendation addresses the following Outcome Statements:

- Troy adds value to properties through maintenance or upgrades of infrastructure and quality of life venues

Options:

- City management recommends the Troy City Council rescind with prejudice the contract approved on December 3, 2007, to Zeyn Francis of Troy, MI, for Library Café Services and reconfigure the space at the Troy Public Library known as Steamers Café for use as a multi-purpose room that includes a vending café and the Friends of the Troy Public Library Gift Shop.