



EXECUTIVE SUMMARY

TO: Key West Bight Board
Community Redevelopment Agency

CC: Doug Bradshaw, Jim Scholl

FR: Marilyn Wilbarger, RPA, CCIM

DT: July 23, 2014

RE: Lease Renewal for Cuban Coffee Queen

ACTION: This is a request to approve a lease renewal for Cuban Coffee Queen, LLC located at 284 Margaret Street in the Historic Seaport.

HISTORY:

The lease will expire at the end of August and the Tenant has agreed to the proposed renewal terms. There is no change of use contemplated and the lease terms are as follows:

Demised Premises: 208 square feet plus 240 square feet for storage

Term: Five Years, effective September 1, 2014

Rate: \$3,500 per month with annual CPI increases
\$320.00 per month for storage

Additional Rent: Tenant shall pay its pro-rate share of Common Area Maintenance, taxes, and insurance

Percentage Rent: 6% in excess of the Percentage Rent Base Amount

Use: Operation of a Cuban Coffee and sandwich shop with take-out only service

Utilities: Tenant shall pay for all utility usage

FINANCIAL STATEMENT:

The Base rent will increase to an amount equal to approximately 6% of the average of last three years sales which becomes guaranteed rent to the City.

In addition, Marius Venter, the Manager Member of Cuban Coffee Queen LLC will also provide a personal guarantee as security for the payment of rent.

CONCLUSION: The Cuban Coffee Queen has become tremendously successful under the current ownership and is a favorite stop for locals and visitors alike as is evidenced by the growth in their sales. They have also been very successful in weaving their presence into the fabric of the Historic Seaport in a way that seems like they have always been there which will contribute to their continued success.

ATTACHMENTS:

Lease

Personal Guaranty

Maintenance of the Mural Acknowledgement