




MEMORANDUM

Date: December 14 , 2023

To: Honorable Mayor and Commissioners

Via: Albert P. Childress
City Manager 

From: Gary Moreira
Senior Property Manager

Subject: **Lease Amendment for increased seating – Casa Cayo Hueso, LLC**

Introduction

This is a request by Casa Cayo Hueso, LLC, dba El Meson De Pepe, (Tenant), to approve a lease amendment allowing for increased seating.

Background

The tenant is requesting an increase in its seating capacity from 200 to 251 seats. The outdoor dining area has been under-utilized and occupancy calculations permit more seating. The tenant has obtained city planning and city fire approval and agrees to pay all fees related to the increased seating. The amended permitted seating will be as follows:

Seating Breakdown:

- Interior Dining – 89 seats
- Exterior covered patio – 114
- Garden dining and bar – 48
- Total: 251 Seats

Procurement

Increased revenue for the city related to impact fees for the seat licenses is approximately \$30,202.20 and potential percentage rent revenue generated from increased gross sales.

Recommendation

The City Manager's Office recommends approval of the additional seating request and execution of the First Amendment to Lease Agreement.

ATTACHMENTS:

Lease Amendment

KWFD Occupancy Load Memo