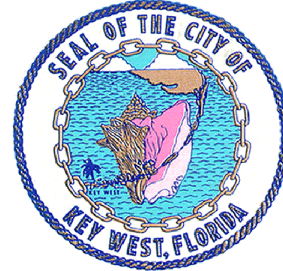


EXECUTIVE SUMMARY



TO: Key West Bight Board

CC: David Fernandez

FR: Marilyn Wilbarger, RPA, CCIM

DT: November 2, 2012

RE: Storage at 284 Margaret Street –The Cuban Coffee Queen

ACTION: This is a request to approve the second lease amendment to provide for expanded storage space.

HISTORY: The CRA entered into a five year lease with Eric Sindone D/B/A The Cuban Coffee Queen for the property located at 284 Margaret Street. The lease was subsequently assigned to Cuban Coffee Queen, LLC and sales have taken off and the tenant is now paying percentage rent in addition to the base. The tenant requested additional storage space and pursuant to Florida Statute 240 square feet of space was advertised for lease and only one letter of interest was received.

The City has this space available in the building that was constructed for storage purposes adjacent to the restaurant. Therefore we have drafted a lease amendment for storage space based upon the following terms:

Demised Area:	Approximately 240 square feet
Use:	For storage purposes only
Term:	Co-terminus with the lease
Rate:	\$16.00 per square foot, \$320.00 per month

FINANCIAL:

The market rate for the storage area has been established based upon the rates paid by other tenants in the Key West Bight; the most comparable is Key West Bait and Tackle at \$15.78 per square foot for covered storage. The Dive shop pays \$13.20 for outdoor storage.

RECOMMENDATION:

In support of the continued growth and success of Cuban Coffee Queen, staff recommends approval of this amended storage agreement.

ATTACHMENTS:

Lease

First Amendment

Lease Assignment

Second Amendment