



MEMORANDUM

Date: August 8, 2024

To: Caroline Street Corridor and Bahama Village Community Redevelopment Agency, (CRA)

Via: Todd Stoughton, Interim City Manager

From: Gary Moreira
Senior Property Manager

Subject: **24-6037 Cuban Coffee Queen lease renewal in the Historic Seaport**

Introduction

This is a request to approve a lease renewal for Cuban Coffee Queen, LLC

Background

At its meeting of July 10, 2024 the Key West Bight Management District Board, via Resolution 24-18, recommended the CRA approve and execute a new lease between the CRA and Cuban Coffee Queen, LLC, providing for a lease renewal term of five years.

Cuban Coffee Queen, LLC has been a long-term tenant in this location in the Historic Seaport. Two previous lease renewals were approved under resolutions 14-256 and 19-278. The CRA has an excellent leasing history with this tenant and all rental payments due pursuant to the current lease have been made. The previously approved use remains the same therefore the lease renewal is proposed based upon the terms below.

Procurement

Use: Operation of a Cuban coffee shop with take-out service only, storage of goods and no other purpose.

Term: 60 months, commencing September 1, 2024.

Rent: Retail Portion: \$5,000.00 per month. \$288.46/s.f./year. (Currently \$4,530/mo).
Storage: \$ 431.00 per month. \$ 21.55/s.f./year. (Currently \$414/mo).

Percentage Rent: 6% in excess of the Percentage Rent Base Amount.
Increases: Base rent adjusted annually by any increase in the Consumer Price Index.
Additional Rent: Tenant shall pay its pro-rata share of CAM, Taxes and Insurance.
Utilities: Tenant shall pay for all utilities.

Recommendation

Staff recommends CRA approval and execution of the lease.

Attachments:
Lease & Exhibits
Guaranty
Sun Biz Entity Search