



City of Coral Gables  
CITY COMMISSION MEETING  
**June 9, 2020**

**ITEM TITLE:**

A Resolution of the City Commission authorizing entering into a First Amendment to Lease with Satchmo Blues Bar and Grill, Inc. d/b/a Fritz & Franz Bierhaus, with regard to the City-owned premises at 60 Merrick Way, Coral Gables, FL, 33134 granting a two-month rent deferment for rent due on March 1 and April 1, 2020 (\$23,805.54) waiving any late charges, fees, and penalties provided for in the Lease during the deferment period, and providing for a six-month deferred rent repayment plan June-November 2020.

**DEPARTMENT HEAD RECOMMENDATION:**

Approval

**BRIEF HISTORY:**

On June 24, 1997, Satchmo Blues Bar and Grill, Inc d/b/a Fritz & Franz Bierhaus (the “Tenant”) and the City of Coral Gables (the “Landlord”) entered into the original ten-year Lease for the City-owned premises at 60 Merrick Way, Coral Gables, FL 33134. In 2006, the tenant exercised a Lease renewal option. On June 10, 2014, pursuant to Resolution No. 2014-103, Landlord and Tenant entered into a new Lease (the “Lease”) for a period of ten years (June 1, 2014 – May 31, 2024).

On March 9, 2020, State of Florida Governor Ron DeSantis issued a State of Emergency related to the COVID-19 public health emergency. Governor DeSantis’ order was followed by similar State of Emergency orders from Miami-Dade County Mayor Carlos Gimenez (the “County Mayor”), and Coral Gables Mayor Raul Valdes-Fauli. In addition to the state of emergency orders, since March 20, 2020, the County Mayor has issued additional emergency orders enacting closures/operational restrictions on non-essential businesses which included restaurants and entertainment venues.

On March 18, 2020, the Tenant notified the Landlord of its inability to pay rent for the months of March and April of 2020 and requested rent relief assistance. The Landlord was unable to assess the economic impacts of the COVID-19 public health emergency and the County’s restrictive emergency orders on the Tenant’s operations and revenue.

Landlord is therefore requesting City Commission approval to enter into a First Amendment to the Lease with the Tenant that grants the Tenant a two-month rent deferment for rent due on March 1, 2020 and April 1, 2020, in the total amount of \$23,805.54 (the “Deferred Rent”) and waives any late charges, fees, and penalties provided for in the Lease during the deferment period.

The First Amendment to Lease will also provide the Tenant with a six-month Deferred Rent Repayment Plan (June-November 2020) during which the Tenant will pay the Landlord monthly rent pursuant to Section IV of the Lease and will also make monthly installments toward the Deferred Rent as follows:

<b>Payment Date</b>	<b>Rent Due</b>	<b>Deferred Rent Installment Due</b>	<b>Total Rent Payment Due</b>
June 1, 2020	\$12,204.60	\$3,967.59	\$16,172.19
July 1, 2020	\$12,204.60	\$3,967.59	\$16,172.19
August 1, 2020	\$12,204.60	\$3,967.59	\$16,172.19
September 1, 2020	\$12,204.60	\$3,967.59	\$16,172.19
October 1, 2020	\$12,204.60	\$3,967.59	\$16,172.19
November 1, 2020	\$12,204.60	\$3,967.59	\$16,172.19

**LEGISLATIVE ACTION:**

<b>Date.</b>	<b>Resolution/Ordinance No.</b>	<b>Comments</b>
June 10, 2014	Resolution 2014-103	Approval of Lease

**FINANCIAL INFORMATION: (If Applicable)**

<b>No.</b>	<b>Amount</b>	<b>Source of Funds</b>
N/A		

**ATTACHMENT(S):**

- 1. Draft Resolution**
- 2. First Amendment to Lease Agreement**