



City of Coral Gables  
CITY COMMISSION MEETING  
March 24, 2009

**ITEM TITLE:**

Resolution authorizing the City Manager to execute an Amendment to the Lease Agreement entered into on November 17, 2008 between the City of Coral Gables and Dulce, LLC for the Lease of City-owned retail space located at 286 Miracle Mile by extending the rent abatement period by five (5) additional months and the lease term to three years eight months.

**RECOMMENDATION OF THE CITY MANAGER:**

The City Manager recommends approval of Amendment to the Lease Agreement.

**BRIEF HISTORY:**

A Lease between the City of Coral Gables and Dulce, LLC for the City's 950 SF retail space located at 286 Miracle Mile was executed on November 17, 2008. It was for a three (3) year Term that commenced on the execution date and ended on November 16, 2011, along with a three (3) year Option period. Included in the Lease Agreement was a Rent Abatement period of three (3) months for the Tenant, Dulce, LLC, to make aesthetic improvements to the space.

Authorization to execute was first granted in July 2008 with a November opening anticipated. Due to a series of delays, the Lease was executed in November 2008 with a March 2009 opening planned. However, since the Lease execution, additional Code issues have surfaced further causing added delays and costs.

This Amendment will serve to off-set the costs the current tenant, Dulce, LLC, will incur in bringing this City-owned space to a safe and Code compliant state.

Staff has met with the prospective tenant and consulted with the City's Property Advisory Board at their March 18, 2009 meeting, and the following terms are now offered for consideration:

1. The Rent Abatement period be increased from three (3) months to eight (8) months to compensate for the additional delays caused by the additional insurance constraints, the needed surveying and subsequent discovery of asbestos, and the recently discovered, non-Code compliant problems that will need remediation before the business can open. (The prior tenant did significant work without a permit.)
2. The Lease be changed from a Term of three (3) years to a Term of three (3) years and eight (8) months which would allow added time to bring the property to a legal condition where it can open for business.

**APPROVED BY:**

Department Director	City Attorney (If Applicable)	City Manager
		

**ATTACHMENT(S):**

1. Proposed Resolution
2. Related Inspections' Reports