



City of Coral Gables
CITY COMMISSION MEETING
August 24, 2010

ITEM TITLE:

Resolution authorizing entering into a renewal lease with Graziano's Gourmet in the Gables, LLC, with regard to City owned property at 2301 Galiano Avenue, Coral Gables, Florida for a period of five (5) years with a five (5) year option.

DEPARTMENT HEAD RECOMMENDATION:

Approval

BRIEF HISTORY:

Graziano Enterprises LLC assumed the lease for 2301 Galiano Street, Coral Gables, FL by virtue of an Assignment Agreement dated September 27, 2005, as authorized by Resolution No. 2005-189. As authorized by Resolution No. 2006-01, Graziano Enterprises LLC, then assigned the lease to Graziano's Gourmet in the Gables, LLC (the "Tenant"), by Assignment Agreement dated December 2005. The term of the original lease has now expired and the Tenant desires to renew its lease for a five (5) year term with a five (5) year option to renew on the following terms and conditions.

Premises: The premises continues to be 6,613 square feet (including 148 square feet of storage), plus the right to use the Terrace area outside of the Premises for outdoor seating.

Security Deposit: Landlord continues to hold a \$14,906.66 security deposit.

Rent: Base Rent will be increased from \$21 per square foot (psf) to \$22.63 psf for the first year of the renewal Lease, and will escalate three percent (3%) a year through the Renewal Term.

Operating Expenses: Tenant had not been paying any share of operating expenses or insurance costs for the building. It will now pay fifty percent (50%) of its proportionate share of common area expenses, cooling tower expenses, and building insurance at the actual rate for the first Lease Year, and then its payment will be capped five percent (5%) each year, so that it cannot increase more than five percent (5%) a year. The cap will reset at the beginning of the renewal term.

Real Estate Taxes/BID Assessment: Tenant continues to pay the taxes and assessments for the Premises.

Assignment: Tenant continues to have a right to transfer the lease provided the original

tenant remains liable, and the transferee is qualified to operate the business, has a similar net work as the tenant, and continues to operate the same use and under the same trade name.

Parking: Tenant continues to have the right to park for truck deliveries from 5 am to 7 am Monday through Saturday at meters GA2301 and 2303.

Guaranty: Mario Graziano continues to personally guaranty the Lease.

The Property Advisory Board recommended approval of the renewal Lease terms at their August 18, 2010 meeting.

LEGISLATIVE ACTION:

Date	Resolution/Ordinance No.	Comments
1/12/06	Resolution No. 2006-01	Approving assignment from Graziano Enterprises LLC to Graziano's Gourmet in the Gables, LLC
9/27/05	Resolution No. 2005-189	Authorizes negotiation and execution of assignment from Fine Catering and Events Company to Graziano Enterprises, LLC
10/26/04	Resolution No. 2004-215	Authorizes assignment from Amici's.
10/27/98	Resolution No. 29619	Authorizes negotiation of lease with Amici's Gourmet Market for 10 years

ADVISORY BOARD/COMMITTEE RECOMMENDATION(S):

Date	Board/Committee	Comments
August 18, 2010	Property Advisory Board	Approval of proposed renewal terms

FINANCIAL INFORMATION: (If Applicable)

No.	Amount	Source of Funds
N/A		

APPROVED BY:

Department Director	City Attorney	City Manager
		

ATTACHMENT(S):

1. Draft Resolution
2. Draft renewal Lease Agreement
3. Excerpt minutes of the Property Advisory Board meeting of August 18, 2010