

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2017-

A RESOLUTION AUTHORIZING ENTERING INTO A SECOND AMENDMENT TO THE RETAIL LEASE WITH JUNKANOO CREW, INC. D/B/A ORTANIQUE ON THE MILE TO ALLOW A PAYMENT PLAN FOR PAST DUE RENT WITH REGARD TO CITY-OWNED PROPERTY LOCATED AT 278 MIRACLE MILE, CORAL GABLES, FLORIDA.

WHEREAS, pursuant to Resolution No. 2015-289, the City and Junkanoo Crew, Inc. d/b/a Ortanique on the Mile (“Tenant”) entered into a Retail Lease effective August 16, 2016, as amended by that First Amendment dated October 28, 2016 authorized by Resolution No. 2016-187 (collectively the “Lease”) with regard to City property located at 278 Miracle Mile, Coral Gables, FL (the “Property”); and

WHEREAS, the Tenant has been a tenant of the City and has paid rent for the Property since September, 1998; and

WHEREAS, under that First Amendment to Lease, the City reduced the Tenant’s rent by 20% for 9 months starting in August, 2016 for a total credit of \$16,275; and

WHEREAS, the Tenant’s sales have decreased substantially and Tenant has not made any payments since August, 2016 resulting in an outstanding balance of \$111,313.30 (“Past Due Rent”) as of June, 2017; and

WHEREAS, on April 5, 2017, the City issued a default notice; and

WHEREAS, the Tenant has requested that the City work out a payment plan to allow them to repay the Past Due Rent and continue the current rental obligation by allowing the Tenant to pay the greater of 20% of gross sales in excess of \$110,000 or \$2,000 over a three year term; the balance of Past Due Rent be accelerated and due on demand if Tenant does not paid on time; Tenant continues to pay current rent on time; Tenant remains in default until Past Due Rent is fully paid; and City has the right to retake possession and Tenant agrees to vacate while Past Due Rent remains outstanding; and

WHEREAS, on May 25, 2017, the proposed amendment terms were presented to the Property Advisory Board, who recommended the Past Due Rent be paid back in equal installments over twelve months; and

WHEREAS, the City Commission finds that it is in the interest of the City to provide a payment plan to allow the Tenant to pay its Past Due Rent while keeping with its current rent obligation.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

SECTION 1. That the foregoing “Whereas” clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution upon the adoption hereof.

SECTION 2. That the Second Amendment to the Lease (the “Second Amendment”) is hereby approved in substantially the form attached hereto as Exhibit “A.”

SECTION 3. That the City Commission does hereby authorize the City Manager to execute the Amendment with such modifications to the form attached hereto as Exhibit “A” as may be approved by the City Manager and City Attorney that are necessary to implement the intent of this resolution.

SECTION 4. That this resolution shall become effective immediately upon the date of its passage and adoption herein.

PASSED AND ADOPTED THIS TWENTY-NINTH OF AUGUST, A.D., 2017.

(Moved: / Seconded:)
(Yeas: / Nays:)
(Vote:)
(Agenda Item:)

APPROVED:

RAUL VALDES- FAULI
MAYOR

ATTEST:

WALTER J. FOEMAN
CITY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

CRAIG E. LEEN
CITY ATTORNEY