

RDA-1. A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 1 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND COLLINS 1560, LLC D/B/A LIME TREE CAFE (TENANT), FOR USE OF APPROXIMATELY 2,697 SQUARE FEET OF GROUND FLOOR RETAIL SPACE AT THE ANCHOR SHOPS AND GARAGE, LOCATED AT 1560 COLLINS AVE, SUITE NOS. 1-2 (PREMISES), AS AN UPSCALE FRENCH-ITALIAN FUSION CAFE, SAID AMENDMENT EXTENDING THE RENT ABATEMENT PERIOD BY AN ADDITIONAL EIGHT (8) MONTHS, OCTOBER 6, 2024 THROUGH JUNE 5, 2025, DUE TO DELAYS RELATED TO THE PERMITTING PROCESS FOR THE GREASE TRAP.

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Chair and Members of the Board of Directors

FROM: Rickelle Williams, Interim Executive Director

DATE: June 26, 2024

TITLE: A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 1 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND COLLINS 1560, LLC D/B/A LIME TREE CAFE (TENANT), FOR USE OF APPROXIMATELY 2,697 SQUARE FEET OF GROUND FLOOR RETAIL SPACE AT THE ANCHOR SHOPS AND GARAGE, LOCATED AT 1560 COLLINS AVE, SUITE NOS. 1-2 (PREMISES), AS AN UPSCALE FRENCH-ITALIAN FUSION CAFE, SAID AMENDMENT EXTENDING THE RENT ABATEMENT PERIOD BY AN ADDITIONAL EIGHT (8) MONTHS, OCTOBER 6, 2024 THROUGH JUNE 5, 2025, DUE TO DELAYS RELATED TO THE PERMITTING PROCESS FOR THE GREASE TRAP.

RECOMMENDATION

It is recommended that the Chairperson and Members of the Miami Beach Redevelopment Agency adopt the Resolution.

BACKGROUND/HISTORY

Pursuant to Resolution No. 680-2022, the Miami Beach Redevelopment Agency (RDA), (Landlord) and Collins 1560, LLC (Tenant) are parties to a lease agreement dated March 23, 2023, for use of approximately 2,697 square feet of ground retail floor space at Anchor Shops and Garage, located at 1560 Collins Avenue, Suites Nos. 1-2 (Premises), for the operation of a French Italian fusion café (Lease). The Lease term is for nine (9) years and 272 days from the Commencement Date of April 6, 2023, the date Tenant received possession of the Premises.

Upon obtaining possession of the Premises, the Tenant began renovations to convert the former retail space to a new café venue at the Tenant's sole cost and expense. The Premises was expected to remain closed during the renovation process until the summer of 2024.

Due to unexpected delays in connection with the permitting process associated with the approval of a new grease trap at the Premises by the Department of Regulatory and Economic Resources (DERM), Tenant's construction schedule has been delayed. Consequently, the previously anticipated opening date has also been delayed.

ANALYSIS

Under the Lease, Tenant received abatement for the Minimum Rent and Operating Expenses for months 2-7 from the Rent Commencement Date (May 6, 2023-November 5, 2023). Additionally, for months 8-18 from the Rent Commencement Date (November 6, 2023-October 5, 2024), the monthly the Minimum Rent payment is being abated (Rent Abatement Period), which is currently \$17,361.68, in order to allow Tenant to complete the buildout of the restaurant. Notwithstanding, during the Rent Abatement Period, Tenant is still required to pay the monthly payment for estimated Operating Expenses, which is currently in the amount of \$3,146.50.

Due to the aforementioned unexpected delays, the Tenant has requested an extension for further abatement of the monthly Minimum Rent for a period eight (8) months, from October 6, 2024, through June 5, 2025, to complete the build-out of the restaurant at the Premises. Accordingly, Amendment No. 1 in substantial form, attached hereto as Attachment A, memorializes the extended Rent Abatement Period requested by the Tenant.

FISCAL IMPACT STATEMENT

N/A

Does this Ordinance require a Business Impact Estimate? (FOR ORDINANCES ONLY)

The Business Impact Estimate (BIE) was published on . See BIE at:
<https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notice/>

FINANCIAL INFORMATION

CONCLUSION

Based on the foregoing, the Interim Executive Director recommends approving, in substantial form, Amendment No. 1 to the Lease, a draft copy of which is attached hereto as Attachment A, memorializing the extended Rent Abatement Period by an additional eight (8) months, from October 6, 2024, through June 5, 2025, due to delays related to the permitting process of the grease trap.

Applicable Area

South Beach

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?

No

Is this item related to a G.O. Bond Project?

No

Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying? No

If so, specify the name of lobbyist(s) and principal(s):

Department

Facilities and Fleet Management

Sponsor(s)

Co-sponsor(s)

ATTACHMENT "A"

**AMENDMENT NO. 1 TO LEASE
BETWEEN
THE MIAMI BEACH REDEVELOPMENT AGENCY
AND
COLLINS 1560, LLC**

This Amendment No. 1 (Amendment) to the Lease dated March 23, 2023 (Lease), by and between the Miami Beach Redevelopment Agency (RDA), a public body corporate and politic and existing under the laws of the State of Florida, having its principal place of business at 1700 Convention Center Drive, Miami Beach, Florida 33139 (Landlord), and Collins 1560, LLC, a Florida limited liability company, having its principal place of business at 1560 Collins Avenue, Suites 1 and 2, Miami Beach, FL 33139 (Tenant), is entered into this ____ day of _____, 2024:

RECITALS

WHEREAS, on December 14, 2022, pursuant to Resolution Number 680-2022, the Miami Beach Redevelopment Agency (RDA), (Landlord) and Collins 1560, LLC (Tenant) entered into a Lease for the operation of a restaurant at 1560 Collins Avenue, Suites 3 and 4 (Premises); and

WHEREAS, the initial Lease term is for nine (9) years and 272 days commencing on April 6, 2023, and ending on January 3, 2033; and

WHEREAS, upon execution of the Lease, the Tenant began the renovation of the Premises, and the café is expected to remain closed during the renovation process and anticipated to open in the summer of 2024; and

WHEREAS, at the time the Lease was executed, it was under the understanding that the existing grease trap had prior approval and that only a review of the permit would be necessary; and

WHEREAS, the Department of Regulatory and Economic Resources (DERM) was not able to locate any permitting for the initial construction of the grease trap on the site; and

WHEREAS, the Tenant has undergone complete permitting for an existing grease trap, which has considerably delayed their ability to open by the date previously anticipated; and

WHEREAS, the Rent Abatement Period is set to expire on September 22, 2024, at which point Tenant would be required to pay the current Minimum Rent payment of \$17,361.68, in addition to the Operating Expenses which Tenant is required to pay during the Rent Abatement Period; and

WHEREAS, on April 25, 2024, the Tenant requested an extension of the Rent Abatement Period for an additional eight (8) months, from October 6, 2024 through June 5, 2025; and

WHEREAS, on _____, 2024, the Chairman and Members of the Miami Beach Redevelopment Agency adopted Resolution No. _____, approving Amendment No.1 to the Lease, granting Tenant the requested extension of the Rent Abatement Period.

NOW THEREFORE, in consideration of the mutual promises and conditions contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Landlord and Tenant hereby agree to amend the Lease as follows:

1. ABOVE RECITALS.

The above recitals are true and correct and are incorporated as part of this Amendment.

2. MODIFICATIONS.

The Agreement is hereby amended (deleted items ~~struck through~~ and inserted items underlined) as follows:

14. Term of Lease (Section 1.1):

Lease Term is nine (9) years and 272 Days from the Commencement Date.
"Commencement Date": The date Landlord delivers Premises to the Tenant.

"Rent Commencement Date": 1) Following the earlier of one hundred and eighty (180) days from Commencement Date; or 2) the date any portion of the Premises opens for business.

Rent and Additional Abatement Period: During Months 2-7 from the Commencement Date ("Minimum Rent and Additional Rent Abatement Period"), Tenant shall not be required to pay the monthly Minimum Rent or any Additional Rent payment (as such term is defined in subsection 2.1 of the Lease) that would otherwise be due during the Minimum Rent and Additional Rent Abatement Period.

Rent Abatement Period: During Months 8- ~~18~~ 26 from the Commencement Date ("Rent Abatement Period"), Tenant shall not be required to pay the monthly Minimum Rent payment, the Percentage Rent payment or any Concession Fee payment that would otherwise be due; however, Tenant shall be required to pay the monthly Operating Expense payment.

"Renewal Options": None

3. RATIFICATION.

Except as amended herein, all other terms and conditions of the Lease shall remain unchanged and in full force and effect. In the event there is a conflict between the provisions of this Amendment and the Lease, the provisions of this Amendment shall govern.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their appropriate officials, as of the date first entered above.

FOR LANDLORD:

**THE MIAMI BEACH
REDEVELOPMENT AGENCY**

ATTEST:

By: _____
Rafael E. Granado, Secretary

**Rickelle Williams
Interim Executive Director**

Date

FOR TENANT:

COLLINS 1560, LLC

ATTEST:

By: _____
Secretary

President

Print Name

Print Name

Date

DRAFT

RESOLUTION NO. _____

A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 1 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND COLLINS 1560, LLC D/B/A LIME TREE CAFÉ (TENANT), FOR USE OF APPROXIMATELY 2,697 SQUARE FEET OF GROUND FLOOR RETAIL SPACE AT THE ANCHOR SHOPS AND GARAGE, LOCATED AT 1560 COLLINS AVE, SUITE NOS. 1-2 (PREMISES) AS AN UPSCALE FRENCH-ITALIAN FUSION CAFÉ, SAID AMENDMENT EXTENDING THE RENT ABATEMENT PERIOD BY AN ADDITIONAL EIGHT (8) MONTHS, OCTOBER 6, 2024 THROUGH JUNE 5, 2025, DUE TO DELAYS RELATED TO THE PERMITTING PROCESS FOR THE GREASE TRAP.

WHEREAS, the Miami Beach Redevelopment Agency (the “RDA”) is a public body corporate and politic, which owns that certain project commonly known as the “Anchor Shops”, containing a garage and ground floor retail spaces located in the area bounded by Washington Avenue and Collins Avenue, in the proximity of 16th Street; and

WHEREAS, pursuant to Resolution No. 680-2022, the Miami Beach Redevelopment Agency (RDA) (Landlord) and Collins 1560, LLC (Tenant) are parties to a lease agreement dated March 23, 2023 for use of approximately 2,697 square feet of ground floor retail space at the Anchor Shops and Garage, located at 1560 Collins Avenue, Suites Nos. 1-2 (Premises), for the operation of a French Italian fusion cafe (Lease); and

WHEREAS, the Lease term is for nine (9) years and 272 days from the Commencement Date of April 6, 2023, the date Tenant received possession of the Premises; and

WHEREAS, upon obtaining possession of the Premises, Tenant began renovations to convert the former retail space to a new cafe venue at the Tenant’s sole cost and expense, and the Premises were expected to remain closed during the renovation process until the summer of 2024; and

WHEREAS, due to unexpected delays in connection with the permitting process associated with the approval of the new grease trap at the Premises by the Department of Regulatory and Economic Resources (DERM), Tenant’s construction schedule has been delayed and, as such, the previously anticipated opening date has also been delayed; and

WHEREAS, under the Lease, Tenant has received the following concessions:

- for months 2-7 from Rent Commencement (May 6, 2023 – November 5, 2023), the Minimum Rent and Operating Expenses were abated (Minimum Rent and Additional Rent Abatement Period); and
- for months 8-18 from Rent Commencement (November 6, 2023 – October 5, 2024) the monthly Minimum Rent payment is being abated (Rent Abatement Period), which is currently \$17,361.68, in order to allow Tenant to complete the buildout of the restaurant; however, during the Rent Abatement Period, Tenant is still required

to pay the monthly payment for estimated Operating Expenses which payment is currently \$3,146.50; and

WHEREAS, due to the aforementioned unexpected delays, the Tenant has requested an extension of the Rent Abatement Period for an additional period of eight (8) months, from October 6, 2024 through June 5, 2025, to complete the build-out of the restaurant at the Premises; and

WHEREAS, based upon the aforementioned permitting delays, the Interim Executive Director recommends approving, in substantial form, Amendment No. 1 to the Lease, a draft copy of which is attached as Attachment "A" to the City Commission Memorandum accompanying this Resolution, memorializing the extended Rent Abatement Period requested by Tenant.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY, that the Chairperson and Members of the Miami Beach Redevelopment Agency (RDA) hereby approve, in substantial form, Amendment No. 1 to the Lease Agreement between the RDA (Landlord) and Collins 1560, LLC d/b/a Lime Tree Café (Tenant), for use of approximately 2,697 square feet of ground floor retail space at the Anchor Shops and Garage, located at 1560 Collins Ave, Suite Nos. 1-2 (Premises), as an upscale French-Italian fusion café, said Amendment extending the Rent Abatement Period by an additional eight (8) months, October 6, 2024 through June 5, 2025, due to delays related to the permitting process for the grease trap.

PASSED and **ADOPTED** this ___ day of _____ 2024.

ATTEST:

Steven Meiner, Chairperson

Rafael E. Granado, Secretary

RESOLUTION NO. _____

A RESOLUTION OF THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY (RDA), APPROVING, IN SUBSTANTIAL FORM, AMENDMENT NO. 1 TO THE LEASE AGREEMENT BETWEEN THE RDA (LANDLORD) AND COLLINS 1560, LLC D/B/A LIME TREE CAFÉ (TENANT), FOR USE OF APPROXIMATELY 2,697 SQUARE FEET OF GROUND FLOOR RETAIL SPACE AT THE ANCHOR SHOPS AND GARAGE, LOCATED AT 1560 COLLINS AVE, SUITE NOS. 1-2 (PREMISES), AS AN UPSCALE FRENCH-ITALIAN FUSION CAFÉ, SAID AMENDMENT EXTENDING THE RENT ABATEMENT PERIOD BY AN ADDITIONAL EIGHT (8) MONTHS, OCTOBER 6, 2024 THROUGH JUNE 5, 2025, DUE TO DELAYS RELATED TO THE PERMITTING PROCESS FOR THE GREASE TRAP.

WHEREAS, the Miami Beach Redevelopment Agency (the “RDA”) is a public body corporate and politic, which owns that certain project commonly known as the “Anchor Shops”, containing a garage and ground floor retail spaces located in the area bounded by Washington Avenue and Collins Avenue, in the proximity of 16th Street; and

WHEREAS, pursuant to Resolution No. 680-2022, the Miami Beach Redevelopment Agency (RDA) (Landlord) and Collins 1560, LLC (Tenant) are parties to a lease agreement dated March 23, 2023 for use of approximately 2,697 square feet of ground floor retail space at the Anchor Shops and Garage, located at 1560 Collins Avenue, Suites Nos. 1-2 (Premises), for the operation of a French Italian fusion cafe (Lease); and

WHEREAS, the Lease term is for nine (9) years and 272 days from the Commencement Date of April 6, 2023, the date Tenant received possession of the Premises; and

WHEREAS, upon obtaining possession of the Premises, Tenant began renovations to convert the former retail space to a new cafe venue at the Tenant’s sole cost and expense, and the Premises were expected to remain closed during the renovation process until the summer of 2024; and

WHEREAS, due to unexpected delays in connection with the permitting process associated with the approval of the new grease trap at the Premises by the Department of Regulatory and Economic Resources (DERM), Tenant’s construction schedule has been delayed and, as such, the previously anticipated opening date has also been delayed; and

WHEREAS, under the Lease, Tenant has received the following concessions:

- for months 2-7 from Rent Commencement (May 6, 2023 – November 5, 2023), the Minimum Rent and Operating Expenses were abated (Minimum Rent and Additional Rent Abatement Period); and
- for months 8-18 from Rent Commencement (November 6, 2023 – October 5, 2024), the monthly Minimum Rent payment (currently \$17,361.68) is being abated (Rent Abatement Period) in order to allow Tenant to complete the buildout of the restaurant; however, during the Rent Abatement Period, Tenant is still required to

to pay the monthly payment for estimated Operating Expenses which payment is currently \$3,146.50; and

WHEREAS, due to the aforementioned unexpected delays, the Tenant has requested an extension of the Rent Abatement Period for an additional period of eight (8) months, from October 6, 2024 through June 5, 2025, to complete the build-out of the restaurant at the Premises; and

WHEREAS, based upon the aforementioned permitting delays, the Interim Executive Director recommends approving, in substantial form, Amendment No. 1 to the Lease, a draft copy of which is attached as Attachment "A" to the City Commission Memorandum accompanying this Resolution, memorializing the extended Rent Abatement Period requested by Tenant.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE CHAIRPERSON AND MEMBERS OF THE MIAMI BEACH REDEVELOPMENT AGENCY, that the Chairperson and Members of the Miami Beach Redevelopment Agency (RDA) hereby approve, in substantial form, Amendment No. 1 to the Lease Agreement between the RDA (Landlord) and Collins 1560, LLC d/b/a Lime Tree Café (Tenant), for use of approximately 2,697 square feet of ground floor retail space at the Anchor Shops and Garage, located at 1560 Collins Ave, Suite Nos. 1-2 (Premises), as an upscale French-Italian fusion café, said Amendment extending the Rent Abatement Period by an additional eight (8) months, October 6, 2024 through June 5, 2025, due to delays related to the permitting process for the grease trap.

PASSED and ADOPTED this ____ day of _____ 2024.

ATTEST:

Steven Meiner, Chairperson

Rafael E. Granado, Secretary

APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION

Redevelopment Agency
General Counsel

6/15/2024

Date