# FIRST AMENDMENT TO SUBLEASE AGREEMENT BETWEEN RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY AND RAFIKI TIKI, LLC

This FIRST AMENDMENT TO SUBLEASE AGREEMENT is entered into as of this day of <u>December</u>, 2016, by and between Riviera Beach Community Redevelopment Agency, a body corporate and politic created pursuant to Part III, Chapter 163, Florida Statutes (hereinafter called "Landlord") and RAFIKI TIKI, LLC, a Florida limited liability company (hereinafter called "Tenant").

### WITNESSETH:

**WHEREAS**, a Sublease (the "Original Sublease") was entered into by and between Landlord and Tenant dated August 29, 2016, to develop and operate a restaurant at the Riviera Beach Event Center; and

WHEREAS, the Original Lease limited the Tenant to the sale of wine and beer in the restaurant; and

WHEREAS, Landlord and Tenant desire to enter into this First Amendment to authorize the sale of any alcoholic beverages in the Premises.

**NOW, THEREFORE**, in consideration of the rents, mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

- 1. <u>Use of Premises.</u> Article 9.1 of the Original Lease is amended to permit the Tenant to sell any alcoholic beverages in the Premises.
- 2. <u>Scope of Amendment</u>. Except as otherwise provided for or as amended herein, all other terms and conditions of the Original Sublease shall remain unchanged and in full force and effect throughout the remainder of the term, and any permitted extensions thereto, unless further amended by written agreement between the parties hereto.
- 3. <u>Governing Law.</u> This Amendment shall be governed by and under the laws of the State of Florida.
- 4. <u>Counterparts</u>. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

### TENANT:

	Witness:	
	J. A. K.	
-		
	Name Sherry Desir	
**	Jamura Segura	
	Name: 1 Ormorea Seaso	

RAFIKI TIKI, LLC, a FLORIDA limited liability company

Name:

Title: DEMETRI SALLOVA PRES

LANDLORD:

Riviera Beach Community Redevelopment

Agency \_\_

Name: Terence Davis Title: Chairperson



### RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY

2001 BROADWAY, SUITE 300 RIVIERA BEACH, FL 33404 PHONE: 561-844-3408 FAX: 561-881-8043 Website: www.rbcra.com

## **MEMORANDUM**

TO:

Honorable Chair and Members, CRA Board of Commissioners

City of Riviera Beach, Florida

FROM

Scott Evans, Interim Executive Director, Riviera Beach CRA

DATE:

December 7, 2016

CC:

Michael Haygood, CRA General Counsel

SUBJECT:

Agenda Item: The Agency is Requesting the Board's Approval to Execute the

First Amendment to the Sublease to Permit the Sale of Any Alcoholic Beverages in the Riviera Beach Marina Event Center Café Premises.

### Request for Board Action

The Agency is Requesting the Board's Approval to Execute the First Amendment to the Sublease to Permit the Sale of Any Alcoholic Beverages in the Riviera Beach Marina Event Center Café Premises. The Board has previously approved Resolution No. 2016-11 on July 13, 2016 authorizing execution of a sublease agreement between the Agency and Rafiki Tiki, LLC, attached as Exhibit A. The sublease provided for a term of 120 months (10 years), with one (1) five-year option to renew at then market rates. The Effective Date of the Lease is August 29, 2016: the Commencement Date is February 25, 2017.

The original sublease allowed the sales of wine and beer in the restaurant. This amendment will allow the sales of any alcoholic beverages in the premises as permitted by Florida Statutes Chapter 561.

Please see the picture below that illustrates the first floor location of the Café space within the Event Center building.



# Rafiki Tiki, LLC Profile 1.0 Executive Summary

Rafiki Tiki will be a café serving breakfast, lunch, and limited dinner that will be located at the newly constructed Riviera Beach Marina Event Center.

The menu will be inspired by different Mediterranean and South Floridian specialties and appeal to a diverse clientele. The menu will also offer a selection of hamburgers, chicken fingers and hot dogs. A kid's menu will offer a selection of kid-friendly, smaller-portioned choices at reduced prices.

The cafe will be open seven days a week during breakfast, lunch and early evening hours and will provide a relaxed, vacation-like atmosphere with cool colors, fresh flowers, live music and interesting tropical drinks. Catering will be a major part of the business. Demetri Salloum has been catering events around the City and County for the last two decades and has every intention of continuing his personal community interaction through Rafiki Tiki's catering services. The catering menu will feature a wide array of international dishes to choose from with the service providing everything from food, dinnerware and linens.

### 1.1 Company Ownership

Rafiki Tiki is a new Florida for-profit limited liability company made up of a single member; Demetri M. Salloum, and organized for this venture.

### 1.2 Product and Service Description

Firstly, it will be Marina Village's initial restaurant. Secondly, it will offer wonderfully creative Mediterranean and American dishes and specialty drinks. The wine list will be modest in size and primarily focused on wines from California, France, New Zealand and Argentina. The founder, Demetri Salloum, has spent over two decades establishing long-lasting personal relationships with the people and businesses in the Riviera Beach community. Rafiki Tiki will expand and strengthen those relationships by placing Mr. Salloum in the position to personally welcome his guests.

### Fiscal Impact of Approved Lease(Cash Flow to Agency)

- Base Rent = \$25.00 psf, \$26,175 per year or \$2,181.25 per month
- Percentage Rent = Six percent (6.0%) of Tenant's gross sales over a fixed breakpoint of \$875,000.00

Example: Tenant has gross sales of \$1,000,000 including any catering revenue \$1,000,000 - \$875,000 = \$125,000 over the fixed breakpoint  $$125,000 \times 6\% = \$7,500$  in additional rent per year.

• Common Area Maintenance (CAM) = \$13.85 psf, calculated only on the indoor conditioned space; for a total of \$14,497.16 per year or \$1,208.09 per month

### Recommendation

Staff recommends Board's Approval to Execute the First Amendment to the Sublease to Permit the Sale of Any Alcoholic Beverages in the Riviera Beach Marina Event Center Café Premises.

SE:aj

### RESOLUTION NO. 2016-11

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY (THE AGENCY) APPROVING A SUBLEASE AGREEMENT BETWEEN THE AGENCY AND RAFIKI TIKI, LLC; DIRECTING AND AUTHORIZING THE CHAIRMAN AND EXECUTIVE DIRECTOR TO TAKE SUCH ACTIONS AS SHALL BE NECESSARY AND CONSISTENT TO CARRY OUT THE INTENT AND DESIRE OF THE AGENCY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, The Agency is responsible for carrying out community redevelopment activities and projects in the community redevelopment area of the City of Riviera Beach ("City"); and

WHEREAS, the Citizens' Master Plan was approved on January 30<sup>th</sup>, 2008, combining urban design principles with community input, creating a Citizens' Plan for the Community Redevelopment Area including the Marina District; and

WHEREAS, the Agency and the City, after numerous public meetings, adopted a unified long-range Marina District Conceptual Master Plan for development and redevelopment of the Marina District called the Marina District Master Plan. Said adoption occurred at a public meeting held by the Agency on February 24, 2013, and by the City, through resolution 22-12, on February 27, 2013; and

WHEREAS, the Marina District Master Plan provides for the development of restaurants along the waterfront promenade; and

WHEREAS, in compliance with the Community Redevelopment Act and the Agency's Real Estate Disposition and Procurement Policy advertised and solicited proposals for the development of the restaurants along the waterfront promenade; and

WHEREAS, Rafiki Tiki, LLC was selected as the Developer of the Café at the Event Center after public notice was published in a newspaper of general circulation; and

WHEREAS, Rafiki Tiki, LLC and the Agency have negotiated the attached Café at the Event Center Sublease; and

WHEREAS, for the benefit of the inhabitants and real property owners of the Redevelopment Area (as defined and identified in the Marina District Master Plan) and the citizens of the City, the Agency has found, determined and declared that it is necessary for the continued preservation of the health, welfare, convenience and safety of the City and such inhabitants, real property owners and citizens to enter into the Café at the Event Center Sublease.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY THAT:

SECTION 1. The Agency approves the form of the Café at the Event Center Sublease

Agreement attached hereto as Exhibit "A" and approves the execution and delivery of the it in substantially the form approved subject to such changes as may be approved by the Chairperson subject to advice of counsel, with the execution of the Café at the Event Center Sublease Agreement by the Chairperson conclusive evidence of the approval of such changes.

**SECTION 2**. The Chair and the Executive Director of the Agency, on behalf of the Agency, are each hereby authorized to take such steps as shall be necessary and proper to carry out the purposes hereof.

**SECTION 3**. This resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED this 13th day of July, 2016.

RIVIERA BEACH GOMMUNITY
REDEVELOPMENT, AGENCY

Terence Davis Chairperson

ATTEST:

**Executive Director** 

Approved as to form and legal sufficiency

MOTION BY: D. Pardo

seconded by: L. Hubbard

J. Michael Haydood Date <u>@ 2000</u> 6

J. Michael Haygood, PA General Counsel to CRA

D. PARDO

K. MILLER-ANDERSON

L. HUBBARD

T. DAVIS JOHNSON

T. DAVIS

### RESOLUTION NO. 2016 -25

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY (THE "AGENCY") APPROVING THE FIRST AMENDMENT TO THE SUBLEASE AGREEMENT BETWEEN THE AGENCY ("LANDLORD") AND RAFIKI TIKI, LLC ("TENANT") TO PERMIT THE SALE OF ANY ALCOHOLIC BEVERAGES IN THE PREMISES; PROVIDING AN EFFECTIVE DATE.

\* \* \* \* \* \* \* \*

**WHEREAS**, a Sublease (the "Original Sublease") was entered into by and between Landlord and Tenant dated August 29, 2016, to develop and operate a restaurant at the Riviera Beach Event Center; and

WHEREAS, the Original Lease limited the Tenant to the sale of wine and beer in the restaurant; and

**WHEREAS**, Landlord and Tenant desire to enter into this First Amendment to the Sublease to authorize the sale of any alcoholic beverages in the Premises.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY THAT:

**SECTION 1:** The Commissioners of the Riviera Beach Community Redevelopment Agency hereby approves the First Amendment to the Sublease attached hereto as Exhibit "A"

**SECTION 2:** The Interim Executive Director and Chairman of the Agency, on behalf of the Agency, are hereby authorized to take such steps as shall be necessary and proper to carry out the purposes hereof.

SECTION 2: This resolution shall be effective immediately upon its adoption.

# PASSED AND ADOPTED THIS day of December, 2016. RIVIERA BEACH COMMUNITY REDEVELOPMENT AGENCY By: December, 2016. ATTEST: Name: Title: Chairperson Approved as to form and legal sufficiency

J. Michael Haygood Date 12 7 200

J. Michael Haygood General Counsel to CRA

MOTION BY: D. PAROO

D. PARDO
L. HUBBARD
T. DAVIS JOHNSON
T. DAVIS
K. MILLER-ANDERSON