

STAFF REPORT REGULAR MEETING

AGENDA DATE: December 17, 2024

DEPARTMENT: Leisure Services

TITLE:

Fourth Amendment to Retail Lease with RTT-Benny's on the Beach, Inc., the current tenant ("Benny's")

SUMMARY:

This amendment generally authorizes Benny's subletting of approximately 400 square feet of the Premises to Sushi By Bou Global LLC for a sushi restaurant.

BACKGROUND AND JUSTIFICATION:

On March 19, 2012, the City entered into a Retail Lease with Shore Restaurants of Lake Worth, LLC ("Shore") for the lease of Units #7 and #8 of the Lake Worth Beach Municipal Casino Building ("Lease"). On January 21, 2016, the City and Shore entered into the First Amendment to the Lease which allowed the assignment of the lease to Mulligans Lake Worth Acquisitions, LLC ("Mulligans"). On July 14, 2020, the parties entered into the Second Amendment to the Lease which authorized the assignment of the Lease to NuStart, Ltd. DBA Viva la Playa ("NuStart"). On October 17, 2023, the City authorized the assignment of the Lease to RTT-Benny's on the Beach, Inc. DBA Benny's on the Beach Oceanwalk.

Benny's currently uses the Premises as an American-themed family restaurant and bar, retail sales, and other incidental uses. Benny's wishes to sublet approximately 400 square feet of its restaurant and bar to Sushi By Bou Global LLC ("Subtenant"). The Subtenant provides a dining experience known as Omakase where the chef curates the meal based on his/her skills and seasonal ingredients and directly interacts with the patrons at the counter/bar thereby creating a unique and memorable dining event. This subleasing of space requires amendment to the Retail Lease between the City and Benny's. The Fourth Amendment addresses the City's consent to the subletting of the space, provides that the Subtenant will be subject to the terms and conditions of the Lease, confirms that Benny's will remain fully liable for all obligations under the Lease, provides for the Lease's required \$1,000 administrative fee plus attorneys' fees incurred by the City for this sublet request, the Subtenant's naming the City as an Additional Insured, waives the City's right to payments from the Tenant under the Sublease, waives the City's right to terminate the Lease for the subletting of a portion of the Premises, addresses the additional use of a sushi restaurant and its trade name, etc.

MOTION:

Move to approve/disapprove the Fourth Amendment to the Retail Lease with RTT-Benny's on the Beach, Inc.

ATTACHMENT(S):

Fiscal Impact Analysis-N/A
Fourth Amendment to Retail Lease
Sublease Agreement