



**CITY OF FORT LAUDERDALE
Commission Agenda Memo
REGULAR MEETING**

#17-1335

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: November 7, 2017

TITLE: Motion to Approve a Lease Agreement with E & J Dining, Inc. d/b/a Mr.
Nick's Sub Shoppe for Shop 108 & 112 at the City Park Mall

Recommendation

It is recommended that the City Commission approve a lease agreement with E & J Dining, Inc. for Shop 108 & 112 at the City Park Mall in substantially the form attached and authorize execution of the lease.

Background

Shop 108 & 112 of the City Park Mall is located at 108 SE 1st Street and is 1, 432 square feet. The property was leased to Happy Tommies Lauderdale, LLC in 2016 when they bought the previous tenant, Stephanick G., Inc.'s, pizza business. Happy Tommies Lauderdale, LLC abandoned the premises at the end of March 2017 and the City proceeded to find another tenant.

On August 22, 2017, City Commission approved a lease agreement with Rhonda Koussevitsky, P.A. will lease the Shop 108 & 112 of the City Park Mall. Shortly after the lease agreement was approved, and prior to execution, the principal of Rhonda Koussevitsky, P.A. indicated that due to health issues she would no longer be able to open up the pizza restaurant they had intended for the spot.

E & J Dining, Inc. will operate their restaurant Mr. Nick's Sub Shoppe out of Shop 108 & 112 at the City Park Mall. Mr. Nick's Sub Shoppe is currently located at 901 S. Andrews Avenue and has been a popular mainstay in Fort Lauderdale since the early 1980s. Mr. Nick's Sub Shoppe will continue to serve the same fare, sandwiches and subs, which has made it a viable and popular restaurant. They will invest at least \$30,000 in new equipment and furniture. New equipment includes, but not limited to, an exhaust hood, service counters, signage, walk-in cooler, and sinks and fountains. E & J Dining, Inc. will pay the most rent per square foot of any tenant currently in the City Park Mall and will have four months of free rent while they complete their move to the City Park Mall and their renovation of the new space.

A summary of the terms of lease are as follows:

- Lease Term – Five (5) years with two (5) year options to renew
- Effective Date – September 5, 2017
- Rent - \$24.00/sq. ft. net of janitorial and utilities - \$34,368/annually
- Use of two (2) parking spaces

In addition to the annual cost of the lease there are other expenses associated with occupancy that include utilities (electrical, telephone, and cable), janitorial and property taxes.

Resource Impact

There will be no impact this fiscal year as the new tenant will have four months of free rent. There will be a positive fiscal impact of \$34,368 in FY18.

Strategic Connections

This item is a Press Play Fort Lauderdale Strategic Plan 2018 initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 12: Be a leading government organization, managing resources wisely and sustainably
- Objective 1: Ensure sound fiscal management
- Initiative 1: Achieve a structurally balanced budget through viable revenue sources, smart financial management, comprehensive financial forecasting, and results-oriented and efficient services

Attachment

Exhibit 1 – Proposed Lease

Prepared by: Ryan Henderson, City Manager's Office

Department Director: Lee R. Feldman, ICMA-CM, City Manager