



Cover Memorandum/Staff Report

File #: 22-603

Agenda Date: 5/17/2022

Item #: 7.F.

TO: Mayor and Commissioners
FROM: Jeffrey L. Oris, CEcD, City Manager's Office
THROUGH: Terrence R. Moore, ICMA-CM
DATE: May 17, 2022

APPROVE THE REQUEST FROM THE DELRAY BEACH PUBLIC LIBRARY ASSOCIATION, INC. TO SUBLET 900 SQUARE FEET OF SPACE AT 100 WEST ATLANTIC AVENUE TO THE BUZZ AGENCY.

Recommended Action:

Approve THE request from the Delray Beach Public Library Association, Inc. to sublet 900 square feet of space at 100 West Atlantic Avenue to the Buzz Agency pursuant to the Lease Agreement between the Delray Beach Library Association, Inc. and the City of Delray Beach.

Background:

On December 28, 2005, the City of Delray Beach (City) and the Delray Beach Public Library Association, Inc. (Library) entered into a 99 year lease for the land on which the Library is currently located (generally described as 100 West Atlantic Avenue). This land lease outlined the terms and conditions under which the Library would operate on land owned by the City. The terms and conditions of the Lease Agreement include the following:

Article 13.10 - Assignment and Subletting. This section states:

13.10 This Lease and the Term and estate granted by this Lease, or any part of this Lease or that Term and estate, may not be subleased or assigned, without Lessor's written consent which such consent may not be arbitrarily withheld.

Additionally, on September 15, 2011, Article 13.10 of the Lease Agreement was amended to include the following provision:

13.10 (1) Lessee shall be responsible for payment of property taxes on any portion of the Leased Land which becomes non-exempt as a result of Lessee's assigning or subleasing same.

This provision ensures that any property taxes due because of any non-exempt sublease will be paid for by the Library and NOT the City so as to not be any burden on the City's finances.

Over the years, the City has consented to the library sub-leasing to several different business entities. As outlined in a background sheet shared with the City (attached to the agenda item), this has included:

Cookbook Cafe 2006-2010

Fables Cafe 2010-2011

Buzz Agency LLC 2011-2019 Elizabeth Kelly Grace and Julie Mullen partners

Murder on the Beach 2019-2022

On April 21, 2022, the Delray Beach Public Library Association, Inc. expressed a request, pursuant to Article 13.10 of the aforementioned agreement, for the City to consent to sublet 900 square feet of the premises, subject to the lease, to The Buzz Agency for a single 3-year term with an option to renew for 1 year (a copy of a revised request letter and the sub-lease are attached). The letter further indicated the space will be used as office space.

City Attorney Review:

Approved as to form and sufficiency