



INDIAN RIVER COUNTY, FLORIDA
AGENDA ITEM
Assistant County Administrator /
Department of General Services

Date: January 14, 2022
To: The Honorable Board of County Commissioners
Thru: Jason E. Brown, County Administrator
Thru: Michael C. Zito, Assistant County Administrator
From: Bela Nagy, Golf Professional
Subject: Renewal of Agreement for Food Concession Services and Lease at Sandridge Golf Club

BACKGROUND & ANALYSIS:

On March 10, 2015, the Board approved and authorized the Chair to sign the Agreement for Food Concession Services and Lease with Di'Michelli's Catering, Inc. ("Di'Michelli's") to operate and manage the snack bar operation at the Sandridge Golf Club. The lease agreement was for sixty (60) months commencing on April 1, 2015 and terminating on March 31, 2020.

The owner of Di'Michelli's requested to enter into an assumption and joinder agreement adding Bottom's Up Beverage of Florida, LLC, as a fully responsible co-tenant. The Board approved this request on December 12, 2017.

The original lease calls for successive one- year renewal periods not to exceed an aggregate lease term of 10 years. The first one-year renewal approved by the Board on March 3, 2020, to expire on March 31, 2021. The second one-year renewal approved by the Board on March 2, 2021 expires on March 31, 2022. Staff is satisfied with Di'Michelli's performance under the Agreement and desires to renew another year. The Agreement may be terminated for cause, or upon the expiration of the one-year term, and may only be renewed under mutually acceptable terms.

The monthly rent is calculated based on the sales including 10% of all food and non-alcoholic beverage gross income and 15% of alcoholic beverage gross income. The rent income the first full fiscal year of business revenue totaled \$23,180.42 in FY 2015-16, and has increased to \$35,538.41 in FY 2020-21. For the current budget year, sales are currently 20.1% above last year through the end of December.

Di'Michelli's has made a number of improvements to the restaurant as per the lease including new tables, chairs, cabinetry and equipment and has fulfilled all of their obligations as per the lease for the initial term.

FUNDING:

The rental revenue to be received shall continue at the rate of 10% of all food and non-alcoholic beverage gross income and 15% of alcoholic beverage gross income per month payable on the first day of each month.

RECOMMENDATION:

Staff respectfully requests that the Board approve the third renewal term under the existing lease and authorize the Chairman to execute the document.

ATTACHMENTS:

- Agreement for Food Concession Services and Lease between Indian River County and Di'Michelli's Catering, Inc. (BCC 03-10-2015)
- Assumption and Joinder to Agreement for Food Concession Services and Lease between Indian River County and Di'Michelli's Catering, Inc. (BCC 12/12/2017)
- First Renewal Agreement For Food Concession Services and Lease Between Indian River County and Di'Michelli's Catering, Inc.
- Second Renewal Agreement For Food Concession Services and Lease Between Indian River County and Di'Michelli's Catering, Inc.
- Proposed Third Renewal Agreement For Food Concession Services and Lease Between Indian River County and Di'Michelli's Catering, Inc.

APPROVED AGENDA ITEM FOR FEBRUARY 15, 2022