BEFORE THE CITY COMMISSION
CITY OF STUART, FLORIDA

RESOLUTION No. 06-2020

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA AUTHORIZING THE CITY MANAGER TO NEGOTIATE THE ASSIGNMENT OF THE PELICAN LEASE AGREEMENT LOCATED AT 351 SW FLAGLER AVENUE TO HUDSON'S PLACE LLC, WHICH IS THE ENTITY PLANNING TO OPERATE THE RESTAURANT; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

* * * * *

WHEREAS, the City Commission of the City of Stuart, Florida entered a lease agreement with the Pelican Cafe for the property located at located at 351 SW Flagler Avenue.

WHEREAS, the Pelican Café has requested that the City allow the Pelican to assign the lease to a new operator. The current terms of the lease allow for an assignment but also authorize the City to review and renegotiate the rent in the event it is deemed below market or needs adjustment.

WHEREAS, The Pelican Cafe has entered into an assignment agreement (a copy of which is attached hererto) with an entity that plans to operate a restaurant at this location.

Resolution No. 06-2020
Assignment of Lease for 351 SW Flagler Ave.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF STUART, FLORIDA that:

SECTION 1: The City Commission authorizes the Mayor to review the current lease and operation and negotiate with the assignee. The negotiated terms shall be reviewed for approval by the City Commission.

SECTION 2: This resolution shall take effect upon adoption.

Commissioner _____ offered the foregoing resolution and moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a roll call vote, the vote was as follows:

	YES	NO	ABSENT	ABSTAIN
MICHAEL J. MEIER, MAYOR				
EULA R. CLARKE, VICE MAYOR				
BECKY BRUNER, COMMISSIONER				
KELLI GLASS LEIGHTON, COMMISSIONER				
MERRITT MATHESON, COMMISSIONER				

ADOPTED this 13th day of January, 2020.

ATTEST:

_____
MARY R. KINDEL
CITY CLERK

_____
MICHAEL J. MEIER
MAYOR

APPROVED AS TO FORM
AND CORRECTNESS:

_____
MICHAEL J. MORTELL
CITY ATTORNEY

ASSIGNMENT AGREEMENT

This assignment agreement ("Assignment Agreement") is entered into as of December 6th, 2019, by and between The Pelican Café, LLC a Florida corporation (the "Assignor"), and Michael Matakaetis or assigns (the "Assignee").

WHEREAS, the Assignor wishes to transfer and assign to the Assignee all of the Assignor's rights and interests in and to, and obligations under, the Lease Agreement with the City of Stuart executed on October 28, 2019 and authorized by the Stuart City Commission in Resolution 71-2019, and the Assignee wishes to be the Assignee and Transferee of such rights, interests and obligations;

WHEREAS, pursuant to the Lease Agreement, the Assignor may not assign any of its rights, interests or obligations, directly or indirectly (by operation of Law or otherwise), without the prior written approval of the City of Stuart; and

WHEREAS, the parties to this Assignment Agreement are seeking authority from the City of Stuart City Commission to assign the Lease Agreement to Michael Matakaetis, and or his assigns. This agreement is conditioned upon the City of Stuart and Michael Matakaetis reaching amicable terms prior to February 1, 2020, or such date as extended, in writing, between the Assignor and Assignee.

NOW, THEREFORE, the parties hereto, intending to be legally bound, do hereby agree as follows:

1. Assignment and Assumption. The Assignor hereby transfers and assigns to the Assignee, and the Assignee hereby acquires from the Assignor all of the Assignor's rights, and interests in and to the Lease Agreement, of whatever kind or nature, and the Assignee hereby assumes and agrees to perform all obligations, duties, liabilities and commitments of the Assignor under the Lease Agreement, of whatever kind or nature.

2. Retention of Obligations. Notwithstanding anything in this Assignment Agreement to the contrary, the Assignor shall remain obligated, as a principal and not a guarantor, to the City of Stuart with respect to all of the Assignor's obligations, duties, liabilities and commitments under the Lease Agreement, of whatever kind or nature.

3. Effectiveness. The Assignee shall have the right to terminate this Assignment Agreement at any time prior to February 1, 2020 , or such date as extended, in writing, between the Assignor and Assignee, if Assignee determines, in Assignee's sole discretion, that Assignee is unable to reach satisfactory terms with the City of Stuart. Assignee and Assignor further agree that this Assignment Agreement shall only become binding if: (a) the City of Stuart and Assignee reach satisfactory terms, in Assignee's sole discretion, and (b) Assignor and Assignee complete, close, and fulfill all of their obligations (including payment of all consideration) related to their asset

purchase transaction memorialized by the Business Asset Purchase Agreement between Mike Matakaetis (or his assigns) and The Pelican Café, LLC, dated December 3rd, 2019.

4. Governing Law; Binding Effect. This Assignment Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

5. Counterparts. This Assignment Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original copy of this Assignment Agreement, and all of which, when taken together, shall be deemed to constitute one and the same agreement. Delivery of such counterparts by electronic mail (in PDF format) shall be deemed effective as manual delivery.

WITNESS:

THE PELICAN CAFÉ, LLC,
a Florida corporation

By:
Paul Daly, Managing Partner
Assignor
Date: 12/9/2019