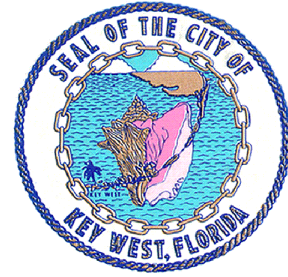


Executive Summary



TO: Key West Bight Management District Board
Caroline Street Corridor Community
Redevelopment Agency

CC: Doug Bradshaw

FR: Marilyn Wilbarger, RPA, CCIM

DT: September 12, 2014

RE: Letter of Interest and Lease for Ferry Terminal Advertising Space

ACTION STATEMENT

This is a request to approve a new lease for the advertising space available at the Key West Bight Ferry Terminal pursuant to the public notice therefore.

BACKGROUND:

Public notice was first published on February 16, 2014 in accordance with Florida Statute Sec. 163.380. During the prior advertising period we received three letters of interest as follows:

Pat Croce & Co.	Elevator face only	\$250 per month
Anderson Outdoor Advertising	All interior and exterior space available	\$1000 per month OR 30% of gross sales
Vacation Key West	All interior space available	\$2000 per month plus 12% over \$5000 per month in revenue

A draft lease was prepared for Vacation Key West who subsequently declined to enter into an agreement. Per the direction of the Key West Bight Management District Board a lease has been prepared for the second proposer, Anderson Outdoor Advertising, Inc. based upon the following terms:

Tenant: Anderson Outdoor Advertising, Inc.

Use: The tenant shall have the right to utilize the demised premises for the purposes of visual advertising as follows: wall space to display aesthetically pleasing images with no sound track; in formats approved by the landlord, a graphic door wrap on the elevator door face, one display rack for brochures and one exterior map display provided that the exterior map is replaced or refurbished to the landlord's satisfaction.

Demised Premises: Two 36" x 36" light boxes
One 36" x 60" light box
One 24" x 36" light box
One 7' wide brochure rack
One elevator door wrap
Exterior locator map

Term: Five years effective November 1, 2014

Rent: \$1000 per month with annual CPI increases

**Tax, Insurance,
Common Area
Maintenance:** N/A

Percentage Rent: In the event that 30% of tenant's gross sales exceeds \$1,000 per month, the tenant agrees to pay landlord a sum equal to 30% multiplied by the monthly gross sales.

Utilities: Landlord will pay for the utilities associated with the uses allowed

FINANCIAL IMPACT:

The prior agreement called for \$30,000 minimum rent annually so this agreement represents a decrease of \$18,000 annually in guaranteed income. The proposed agreement will provide additional percentage rent to the city should the tenant be successful in marketing the advertising opportunities at the Ferry Terminal.

ATTACHMENTS:

Draft lease

Letters of Interest and photos of proposed use locations