

Executive Summary



TO: Key West Bight Management District Board
Community Redevelopment Agency

CC: Jim Scholl
Doug Bradshaw

FR: Marilyn Wilbarger, RPA, CCIM

DT: December 6, 2018

RE: Letter of Interest and Lease for 120B Margaret Street

ACTION STATEMENT

This is a request to accept the letter of interest and approve a new lease for Fury Management, Inc. for the demised premises located at 120B Margaret Street.

HISTORY

Pursuant to Florida Statute Sec. 163.380 public notice was given on October 4, 2018 seeking letters of interest for the lease of the space located at 120B Margaret Street AKA Old Thompsons Fish House. The city received one letter of interest as follows:

Proposer: Fury Water Adventures, Inc.

Lease Term: 5 Years, effective March 1, 2019

Premises: 1728 square feet, subject to a new survey

Use: Restoration and operation of the Historic Seaport Museum that will be open to the public during all hours of operation and as a check in location with ancillary retail for Fury Water Adventures including loading of its passengers on the adjacent dock. In no event shall the space be utilized for non-public purposes except for the existing office and storage areas.

Tenant may utilize the building, and the adjacent pier on a non-exclusive basis, for event rental so long as it does not interfere with access to the docks or vessels. All such uses would be subject to the Landlord's approval and subject to allowable uses, regulations and insurance requirements.

Rent: \$28.00 per square foot for the building plus a ten percent usage fee for events or private functions of any kind

Percentage

Rent: Retail sales only shall be subject to percentage rent over the base amount

Increases: Annual increases in the base rent based upon the Consumers Price index

Improvements: Proposer will accept the space in an “as is” condition and complete any improvements at their sole cost and expense, subject to the Landlord’s approval and subject to all regulations governing historic buildings

Additional Rent: Proposer shall pay its proportionate share of the maintenance, tax, and insurance expense

Utilities: Proposer shall pay all utilities associated with the occupancy of the demised premises

FINANCIAL

The proposed rent reflects a rate that considers a free historical attraction will be returned to the Historic Seaport in furtherance of the mission to preserve the maritime history.

CONCLUSION

This proposal represents a rare opportunity to continue to tell the story of the Historic Seaport while serving a business purpose that is a win-win for all parties. Staff recommends approval of the proposal and lease.

ATTACHMENTS:

Public Notice

Letter of Interest

Draft Lease

Corporate Filings

Personal Guaranty