

EXECUTIVE SUMMARY

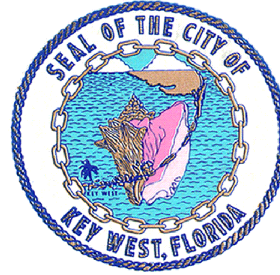
TO: City Commission

CC: Greg Veliz
Doug Bradshaw

FR: Marilyn Wilbarger, RPA, CCIM

DT: February 27, 2020

RE: Angel Fish Pier Submerged Lands Lease for Garrison Bight Marina, Inc.



ACTION: This is a request to approve the renewal of a lease with Garrison Bight Marina, Inc., for the submerged lands lease at Angel Fish Pier.

BACKGROUND:

The City previously entered into submerged land lease for this area that expires at the end of May 2020. The City proposes to offer one three-year lease renewal after which time the City intends to redevelop this area to expand the Public City Marina. At the tenant's request this area will be decreased as follows:

Submerged Lands Lease

A submerged lands lease will be entered into for 50% of the amended Parcel I which contains approximately 410 lineal feet of submerged land abutting the upland pier leased area. The terms of the submerged lands lease are:

Term:	Three Years Effective June 1, 2020
Premises:	A portion of Submerged Land Parcel I containing 205 lineal feet by 40 feet wide as shown on Attachment A.
Rent:	\$20.00 per lineal foot for 205 lineal feet per month which equals \$4,100.00 monthly minus the upland rental portion for a net monthly rental of \$3,209.62 for the submerged lands
Increases:	CPI Annually
Utilities:	Tenant shall pay for all utility usage

FINANCIAL:

The rent for the submerged land area reflects a market rate for marina slips adjusted downward for the lack of amenities. The rate will escalate annually by any increase in the Consumers Price Index. The tenant is in good financial standing.

CONCLUSION: The long-term plan for the area includes redevelopment and expansion of the City Marina slips. The tenant will have the opportunity to continue to lease the expanded Parcel H to provide an additional 56 lineal feet along the bulkhead for a total of 183 lineal feet to facilitate their marina operations. The Port Operations Financial Analysis of the redevelopment scenarios indicates that there will be substantial new revenue opportunities for Garrison Bight Fund 413 in support water related activities for the general public at the end of this three-year renewal.

ATTACHMENTS:

Submerged Lands Lease Renewal

Current Submerged Lands Lease