

RESOLUTION NO. _____

A RESOLUTION OF THE CAROLINE STREET CORRIDOR AND BAHAMA VILLAGE COMMUNITY REDEVELOPMENT AGENCY (CRA) RESCINDING RESOLUTION 20-082; AUTHORIZING A RENT ABATEMENT FOR UP TO THREE MONTHS FOR ALL COMMERCIAL TENANTS OF THE CRA IN GOOD STANDING AFFECTED BY THE COVID-19 EMERGENCY; REDUCING THE BASE DOCKAGE RATE PAID BY COMMERCIAL WATER-BASED TENANTS BY 50% THROUGH DECEMBER 31, 2020; ADJUSTING THE MONTHLY RENT PAID BY COMMERCIAL UPLAND TENANTS TO 6% OF SALES PLUS STANDARD COMMON AREA MAINTENANCE AND UTILITY CHARGES THROUGH DECEMBER 31, 2020; PROVIDING THAT STANDARD COMMON AREA MAINTENANCE AND UTILITY FEES SHALL NOT BE WAIVED; AUTHORIZING THE CITY MANAGER OR DESIGNEE TO APPROVE AND EXECUTE ADDENDUMS TO LEASE OR MAKE ACCOUNTING ADJUSTMENTS FOR RENT ABATEMENTS AND REDUCTIONS; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, on May 5, the City Commission approved Resolution 20-082, granting rent deferrals of up to three months to commercial tenants at Key West Bight; and

WHEREAS, the City Commission finds that rent abatements would be in the better interests of the commercial tenants, and accordingly Resolution 20-082 shall be rescinded and replaced with the rent adjustments contained in this Resolution; and

WHEREAS, the CRA/City of Key West is landlord to more than 160 commercial marina and upland tenants, almost all relying upon tourism as their main source of revenue; and

WHEREAS, on March 1, 2020, the Governor of Florida, Ron DeSantis, issued Executive Order Number 20-51, directing the State Health Officer and Surgeon General to declare a Public Health Emergency due to the discovery of Coronavirus Disease 2019 (COVID-19) in Florida; and

WHEREAS, in response to the COVID-19 threat, the City declared a State of Local Emergency on March 15, 2020 in accordance with F.S. 252.38 and CKW Resolution 2007-182. The City has repeatedly extended the State of Local Emergency; and

WHEREAS, the local State of Emergency required non-essential businesses, including tourism-related activities, to close, a Federal declaration suspended the passenger cruise industry in March, 2020, and additional State and County declarations to protect public health and safety have presented additional restrictions, causing economic hardship in Key West and across the country; and

WHEREAS, the CRA finds that tenants in good standing should be granted an up to three month rent abatement, and additional rent discounts upon certain terms and conditions; and

NOW, THEREFORE, BE IT RESOLVED BY THE CAROLINE STREET CORRIDOR AND BAHAMA VILLAGE COMMUNITY REDEVELOPMENT AGENCY, AS FOLLOWS:

Section 1: That Resolution 20-082 is hereby rescinded, and the rent deferrals granted therein rescinded as well.

Section 2: That a rent abatement of up to three months is hereby granted to all commercial (upland and water-based) tenants of the Key West Bight in good standing. (Common Area Maintenance amounts are still due and payable.)

Section 3: Refunds will not be given, but rent already paid or deferred may be re-categorized or credited to achieve the CRA's intention of three full months of rent abatement for each commercial tenant in good standing.

Section 4: For commercial marina (water-based) tenants, the dockage rate shall be adjusted to 50% of the standard rate through December 31, 2020. (Those certain historic vessels that regularly pay 50% of the standard dockage rate shall not receive an additional discount.) Utilities, live-aboard fees, etc. shall not be waived for any commercial marina tenant.

Section 5: For commercial upland tenants, regular base rental payments (based on square footage) shall be waived through December 31, 2020. In lieu of regular lease rentals, tenants shall be required to pay as rent an amount equal to 6% of previous month's sales, as reported to the Department of Revenue.

Section 6: Only Base Rent shall be waived and/or adjusted. Common Area Maintenance (CAM) fees, utilities, etc. shall not be waived for any commercial tenant.

Section 7: These rent adjustments shall apply exclusively to current commercial lease holders in good standing within the Key West Bight, and not to apply to any other long-term or transient tenant at the Key West Bight.

Section 8: That the City Manager or designee is authorized to execute lease addendums or make the appropriate account adjustments setting forth the rent abatement terms

and conditions, along with other adjustments to rental rates and terms through December 31, 2020 for each commercial tenant.

Section 9: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Agency.

Passed and adopted by the Caroline Street Corridor and Bahama Village Community Redevelopment Agency at a meeting held this _____ day of _____, 2020.

Authenticated by the presiding officer and Clerk of the Agency on _____, 2020.

Filed with the Clerk _____, 2020.

Chair Teri Johnston	_____
Vice Chair Sam Kaufman	_____
Commissioner Gregory Davila	_____
Commissioner Mary Lou Hoover	_____
Commissioner Clayton Lopez	_____
Commissioner Billy Wardlow	_____
Commissioner Jimmy Weekley	_____

TERI JOHNSTON, CHAIR

ATTEST:

CHERYL SMITH, CITY CLERK