

# Executive Summary



**TO:** Key West Bight Board  
Community Redevelopment Agency

**CC:** Doug Bradshaw

**FR:** Marilyn Wilbarger, RPA, CCIM

**DT:** April 6, 2015

**RE:** Lease for Unit I on Lazy Way

---

## ACTION STATEMENT

This is a request to approve a lease renewal for Mc Grail & Rowley, Inc. DBA Sebago Watersports for Unit I located on Lazy Way Lane.

## HISTORY

This renewal will combine Unit I and Unit J into one lease that will henceforth be known as Unit I on Lazy Way Lane. Unit I is now being utilized as office space for Sebago Watersports and Unit J is for storage purposes only. The tenant has requested an additional outdoor area for storage purposes and it has been demised as shown on Exhibit B. The terms of the proposed lease renewal are as follows:

**Demised Premises:** Lazy Way Unit I containing 817 square feet and 313 square feet of outdoor storage

**Use:** Facilitation of Sebago Watersports operations located in the Key West Bight Marina only with offices, ticket sales, customer check-in and retail sales ancillary to Sebago Watersports, storage, and no other purposes.

**Term:** Five years, effective June 1, 2015

**Rent:** \$2,602.16 per month for the building and \$417.33 for storage

**Increase:** CPI increases in base rent annually

**Additional Rent:** Tenant shall pay its pro-rate share of CAM, Taxes, and insurance

**Percentage Rent:** None

**Utilities:** Tenant shall pay for all utility usage.

**FINANCIAL STATEMENT:**

The rent proposed reflects the current rent for these spaces with no increase as the Consumers Price Index reports no inflationary increase currently. Sebago's accounts are current, they will post a security deposit, and owners Paul Mc Grail and Sean Rowley will sign personal guaranties for the faithful performance of the terms of the lease. The total rent paid during this current lease term that commenced in 2012 for Unit I is \$52,992.06 and the total rent for the current lease term for Unit J which commenced in 2010 is \$15,970.07. There have been no payment delinquencies in the last two years and there are no known current violations of the leases. Total rent reports are attached for your reference.

**CONCLUSION:**

The spaces provide facilitation of Sebago Watersports activities that have been in the Historic Seaport for over 25 years and offer a wide variety of opportunities for visitors and locals to get out on the water. Staff looks forward to Paul McGrail and Sean Rowleys' continued commitment of providing water sports activities at the Historic Seaport for an additional five years and the continuation of a positive leasing experience with this tenant.

**ATTACHMENTS:**

Draft lease

Personal guaranties

Total Rent Report