



Executive Summary

TO: Community Redevelopment Agency

CC: Jim Scholl

FR: Marilyn Wilbarger, RPA, CCIM

DT: August 4, 2010

RE: Assignment of Sublease for Flagler Station at 901 Caroline Street

ACTION STATEMENT

This is a request to approve an assignment of the sublease for a portion of the premises known as Flagler Station. The Sub-lessor is Conch Tour Trains and the sub-lessee is Barb Grob and the Assignees are Eric M. Holt and Noella Kacem. This sub-lease assignment has been approved by the Key West Bight Board.

HISTORY

The CRA entered into a lease with Conch Tour Trains for the construction and operation of a train museum, gift shop, and ticket depot that was extended to twenty years and will expire on June 6 2016. Conch Tour Trains ceased to operate these approved uses in 2007 and a sub-lease for the purpose of operating an Art Gallery was approved March 8, 2008, with a subsequent conditional use approved for the service of beer and wine.

The Sub-Lessor and Sub-lessee have now requested an assignment of the sub-lease with no changes in the terms of the lease or use of the premises. The proposed Assignees have operated a retail store in Santa Fe, New Mexico called Noella Rose Gem and Bead Gallery for the past six years.

FINANCIAL STATEMENT:

The current tenant has met all of the financial obligations of the lease and the rents will continue pursuant to the existing lease.

RECOMMENDATION:

The lease provides for sublease and assignment as described in Section 8, and states that the Tenant shall remain liable for the payment of rent and the obligation to keep and be bound by the agreements of the lease. Based upon these facts and our understanding, staff believes that the proposed assignment of the sub-lease is allowable and the use within the existing HRCC-2 zoning.

ATTACHMENTS:

Assignment of Sub-Lease
Resolution 08-114 Lessor Consent of Sub-Lease,
Sub-lease, Composite "Exhibit A" to Sublease