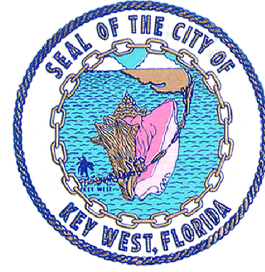


EXECUTIVE SUMMARY



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

CC: David Fernandez, Bogdan Vitas

FR: Marilyn Wilbarger, RPA, CCIM

DT: January 18, 2013

RE: Cancellation of Second Amendment to Lease for Tropical Shell & Gifts, Inc.

ACTION STATEMENT

This is a request to approve the release and cancellation of the second lease amendment for Tropical Shell and Gifts Inc. which had enabled them to re-locate a vacant booth structure to the demised premises occupied by Macs Sea Garden for the purposes of selling tickets for the Dry Tortugas Ferry and the Schooner Western Union.

BACKGROUND:

The booth located outside Turtle Kraals at the Margaret Street Plaza had been unused for quite some time. Tropical Shell & Gifts was going to re-locate the booth structure to their demised premises and place the booth in the outdoor display area currently occupied by the antique truck. The Tenant had agreed make all repairs necessary due to the re-location including repair of the remaining fire pump housing. However a subsequent inspection by the Tenant's engineer determined that the re-location was not economically or structurally feasible. The Tenant continues to sell tickets in the existing booth located in the Turtle Kraals building.

It is now our intention to recommend that we re-utilize the structure to provide a fish cleaning station that will be connected to the sewer system in support to the Clean Marina designation with a USGFA certified scale, and a directory of charter boats in the Historic Seaport.

FINANCIAL: The second lease amendment provided an additional \$12,000 per year in lease revenue that was not realized or budgeted.

RECOMMENDATION: The Tenant is in agreement and has executed the Release and Termination agreement which will release the CRA from any further contractual obligation and enable re-utilization.

ATTACHMENTS:

Release and Cancellation
Second Amendment to Lease
Lease