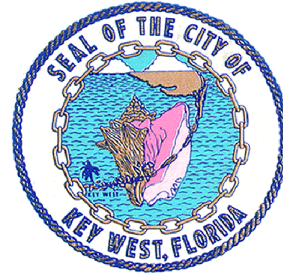


Executive Summary



TO: Key West Bight Board

CC: David Fernandez

FR: Marilyn Wilbarger, RPA, CCIM

DT: November 1, 2012

RE: Sublet Flagler Station

ACTION STATEMENT

This is a request to approve a sublease for a portion of the premises known as Flagler Station. The Sub-lessor is Conch Tour Trains and the sub-lessee is Valsin A. Marmillion and Juan Cruz Pisani DBA The Little Red at Flagler Station.

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 March 14, 2019. Conch Tour Trains ceased to operate these approved uses in 2007 and previously has had sub-tenants that operated the Key West Art Bar and Style Key West. The Sub-Lessee shall operate a General Store per Section 20 of the Sub-lease, and as follows:

20. Use of Premises:

A. Business: SUBLESSEE shall be entitled to use the Premises as a General Store, including but not limited to greeting cards, beverages, gifts, pet and people toys, gizmos, gadgets, local art & crafts, newspapers, magazines, candy, mints, gum, quick snacks, health goods, vitamins, costumes, hats, candles, coffee table books, kitchen utilities, novelties, and essential items like soaps, creams, sunblocks, hair spray, toiletries, the sale of specialty foods, gourmet spreads or appetizer treats. In addition the Little Red will offer discount wine varietals and micro brews, however the sale of alcohol items shall not exceed 10% of the total inventory of general store, and for no other purpose, subject to applicable law (herein "Business").

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 the sublease 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 sub-lease is an allowable use within the zoning.

ATTACHMENTS:

Request for Sub-lease

Sub-lease and Exhibits
Consent of Lessor