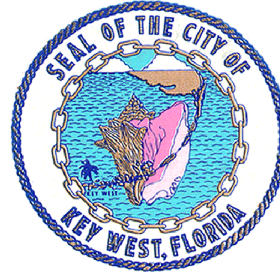


EXECUTIVE SUMMARY



TO: Jim Scholl
City Commission

CC: Rod Delostrinos

FR: Marilyn Wilbarger, RPA, CCIM

DT: June 5, 2018

RE: First Amendment to Lease Agreement for Nadene Grossman Enterprises, Inc.
at 922 Caroline

ACTION: This is a request to approve a lease amendment between the City of Key West and Nadene Grossman Enterprises, Inc. DBA We've Got the Keys.

HISTORY: In 2008, the tenant entered into a lease agreement for the space located on the first floor of the parking garage and agreed to provide transportation related services in addition to event planning, and dissemination of bus information to meet the needs of visitors. The lease was renewed for five years in 2012 and again in 2018. On April 30th the City published a public notice for lease proposals for the lease of the storage space in the Park N' Ride. The City received one response, from Nadene Grossman Enterprises, a copy of which is attached. If approved, current lease will be amended to add the storage and driveway space based upon the terms of the proposal, all other terms of the current lease will remain unchanged, as follows:

Demised Premises:

1030 square feet of office space
500 square feet of storage approximately 20X25 ft.
480 square feet of driveway space approximately 10X48 ft.

Use: Operation of event, travel and transportation planning services; tourist information and transportation requests, posting and distribution of city bus and Duval Loop maps and bus schedules, event production storage, site tour departure point, event production loading zone, client and vendor parking, and no other purpose.

Term: The current lease term will remain unchanged and the expanded space will be added effective July 1, 2018 through December 31, 2022

Rent: \$2,910.20 per month established by a blended market rate for office and unimproved storage and driveway areas.

Increases: CPI annual increases

FINANCIAL: The tenant is in good financial standing and has an excellent payment and leasing history with the City. The tenant has posted a two-month security deposit and a personal guaranty for the performance of the terms and conditions of the lease.

CONCLUSION:

Ms. Grossman has established a successful business at 922 Caroline and is proposing to lease the additional space to meet her needs for continued growth. She understands the inherent limitations of use due to the construction of the garage and sporadic water intrusion which will not affect her storage use. Staff recommends approval of the proposed lease amendment.

ATTACHMENTS:

First Amendment to Lease

Lease

Public Notice

Lease Proposal