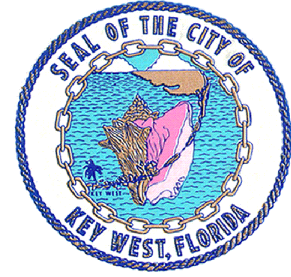


EXECUTIVE SUMMARY



TO: City Commission

CC: Patti McLauchlin
Todd Stoughton
Ronald Ramsingh

FR: Gary Moreira, Senior Property Manager

DT: March 14, 2023

RE: Lease Renewal – Key West Community Sailing Center - Upland

ACTION STATEMENT

This is a request to approve the lease renewal for Key West Community Sailing Center for the demised premises located at 705 Palm Avenue.

BACKGROUND

The City originally entered into a lease agreement for this use at 705 Palm Avenue in 1979. Tenant's base term of the current lease expired on October 31, 2022. The renewal is with the current organization which is a 501(c) 3 classified public charity. The organization's mission is to teach youth and adults to sail. The basic terms of the lease renewal are as follows:

- Premises:** As currently occupied at 705 Palm Avenue and as shown on Exhibit "A" of the lease.
- Term:** Five (5) Years, Effective April 1, 2023.
- Use:** The Tenant will be entitled to use the Premises for the continuous operation of Tenant's after school, schools out, student elective instructional sailing programs, adult sailing, instruction, sailing and equipment rental programs that are affordable and open to the public, provide a place for participation and interaction with fellow sailors, and for no other purpose.
- Rent:** The annual rental of \$1.00 per year is below market lease that must demonstrate public benefit and requires approval by a super-majority vote pursuant to Section 2-941(c) of the Code of Ordinances.

Expenses:

The Tenant will pay for operating costs including all utilities, repairs and maintenance, replacements, and renovations necessary to keep the premises in good repair and condition.

RECOMMENDATION:

Staff believes that the program results clearly demonstrate a public benefit and recommends the continued support of the Key West Community Sailing Center and its programs through the utilization of the city owned property at 705 Palm Avenue. Tenant is presently the lessee under the adjacent Submerged Land Lease expiring in 2024.

ATTACHMENTS:

Lease