



MEMORANDUM

Date: May 6, 2025

To: Honorable Mayor and Commissioners as the Caroline Street Corridor and Bahama Village Community Redevelopment Agency (CRA).

Via: Brian L. Barroso
City Manager

From: Gary Moreira
Senior Property Manager

Subject: **File ID 25-3591 Lease Renewal for units I & J on Lazy Way Lane in the Historic Seaport for RED Hospitality & Leisure Key West, LLC, dba Sebago Watersports.**

Introduction

This is a request to recommend the CRA approve and execute a five (5) year lease renewal for the Units I & J currently occupied by RED Hospitality & Leisure Key West, LLC dba Sebago Watersports.

Background

At its meeting of April 9, 2025, via Resolution KWBB 25-08, the Key West Bight Management District Board approved recommending the CRA approve and execute the proposed lease between the CRA and Red Hospitality & Leisure Key West, LLC, dba Sebago Watersports.

RED Hospitality & Leisure Key West, LLC operating Sebago Watersports has been the tenant by assignment at Key West Bight since 2019. The lease for Units I & J will expire on May 31, 2025 and tenant has requested a lease renewal under the following terms.

Procurement

Demised Premises: Lazy Way Units I & J consisting of 817 square feet with 313 square feet of outdoor storage.

Use: Facilitation of Sebago Watersports operations located in the Historic Seaport Marina including offices, ticket sales, customer check-in, and retail sales ancillary

to the water sports operation, storage of TENANT'S equipment, inventory, and supplies.

Term: Five years, effective June 1, 2025.

Rent: \$3,608.42 per month for the office and 626.00 per month for outdoor storage.

Increases: Base rent adjusted annually by any increase in the Consumer Price Index.

Additional Rent: Tenant shall pay its pro-rata share of CAM, Taxes and Insurance.

Utilities: Tenant shall pay for all utilities.

Recommendation

The rent reflects a 6.5% increase over the current rental rate and will be adjusted annually for inflation. The tenant account is current with no outstanding amounts owed and the tenant has made all rental payments under the lease. Staff recommends approval and execution of this lease.

Attachments:
Lease