



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager

FROM: Doug Bradshaw, Port and Marine Services Director

CC: Greg Veliz, Assistant City Manager
George Wallace, Assistant City Attorney

DATE: August 8, 2018

SUBJECT: Proposed Yearly Liveaboard Dockage Agreement and Marina Rules and Regulations at City Marina at Garrison Bight

ACTION STATEMENT:

Approval of a yearly Liveaboard Dockage Agreement and Marina Rules and Regulations at City Marina at Garrison Bight

BACKGROUND:

The current liveaboard dockage agreement was approved in 2003 by Resolution 03-362. While the current agreement does not have an expiration date, staff felt that it needed updating in order to clarify several terms and conditions, as well as update the rules and regulations in order for staff to be able to better manage the marina.

Major Provisions of the proposed agreement compared to the current agreement:

- Added a \$1.00 per foot for an assessment for capital improvement and capital maintenance (mirrors what is in the Charterboat Agreement).
- Increases the base rent by the average change in the U.S. Department of Commerce Consumer Price Index (CPI) for All Urban Consumers, as reported by the Bureau of Labor Statistics for the 12 months prior to the renewal date. Current agreement is vague on whether the increase was an average or the month before each yearly increase.
- Proposed agreement removes reference to a hearing before the Port Advisory Board in case of nonrenewal of agreement. Port Advisory Board does not exist as a current City board.
- Both parties waive trial by jury in the proposed agreement. Was not included in the current agreement.
- Allows for docking of a dinghy or small vessel behind the vessel/floating home so long as length of dinghy or small vessel does not exceed the width of vessel/floating home and allows for docking the dinghy or small vessel on a platform. Length of platform may not exceed the width of vessel/floating home. Current agreement did not allow anything over 12' or platforms.

Key to the Caribbean – Average yearly temperature 77° F.

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- Allows for 7-days to raise vessel/floating home before a fine of \$100/day is levied but process of raising must begin in 48 hours or City can take over and charge tenant. Current agreement was raise in 48 hours or \$100/day fine.
- Allows for transfer fee to be waived if heir is given an agreement upon receiving the vessel/floating home after the lessee's death.
- City Manager can implement new marina rules and regulations. Current agreement required a public hearing for new rules and regulations to be implemented. Any change to the dockage agreement would require Commission approval.
- Strengthens the definition of what maintenance can be performed on the vessel/floating home while in the marina and what level of maintenance requires removal of vessel/floating home from the marina and to a boat yard.
- Proposed agreement requires vessels/floating homes entering the marina to have a current (less than six months old) Marine Survey. Vessels/floating homes in the marina will be required to have a Marine Survey preformed at a minimum every five (5) years. Current agreement had no such requirement.
- The proposed agreement requires lessee to arrange for and pay for disposal of oversized debris. Current agreement did not address and oversized debris was left at dumpster for staff to pick up and dispose of at transfer station.

City Staff has meet with Commissioner Kaufman as well as live aboard tenants. Based on the changes proposed, there are two (2) items that staff and tenants disagree on; the proposed \$1.00 per foot assessment for capital improvement and capital maintenance and the requirement to have a Marine Survey preformed at a minimum every five (5) years.

Each year during budget time city marina staff struggles developing a budget for the marina that the revenues generated adequately covers day-to-day, capital, and general maintenance expenses. Staff feels additional revenue needs to be generated in order to continue improving the marina, plan for capital, and look at future expansion of the marina. On average a live-aboard tenant with a 40 ft vessel/floating home is paying around \$500 in base rent plus utilities per month. The \$1 per ft assessment would equate to an additional \$40 per month for that same 40 ft vessel/floating home. Currently the commercial tenants at the marina are charged the same \$1 per ft assessment.

The condition of vessels/floating homes in the marina range from new condition to poor condition. Each year there are vessel/floating homes that experience some kind of failure where they begin to sink or actually do sink. In most of these cases normal maintenance/inspections could have identified and prevented the cause of the failure. At a minimum staff feels that owners should be required to have a Marine Survey on their vessel/floating home every five (5) years to identify and repair and deficiencies.

PURPOSE & JUSTIFICATION:

The purpose is to approve a new dockage agreement between the City and liveboards at City Marina at Garrison Bight. This allows for clarification of several terms and conditions and updates the rules and regulations in order for staff to be able to better manage the marina.

OPTIONS:

1. The City Commission can approve the Liveboard Dockage Agreement and/or Marina Rules and Regulations.
2. The City Commission can modify the proposed Liveboard Dockage Agreement and/or Marina Rules and Regulations and approve as amended.
3. The City Commission can disapprove the Liveboard Dockage Agreement and/or Marina Rules and Regulations.

FINANCIAL IMPACT:

The dockage rate for a liveabaord vessel is currently \$12.62 per foot/per month. The marina collects approximately \$730,000 in gross revenue from the liveaboard dockage fee. The annual amount that would be collected from the proposed capital project/maintenance fee is approximately \$54,000.

RECOMMENDATION:

City Staff recommends that the City Commission approve the month-to-month Liveaboard Dockage Agreement and Marina Rules and Regulations at City Marina at Garrison Bight.