



THE CITY OF KEY WEST
201 William Street Key West, FL 33040 (305) 809-3790

MEMORANDUM

TO: Key West Bight Management Board

FROM: Doug Bradshaw, Port and Marine Services Director

DATE: March 5, 2020

SUBJECT: Approval of Separating Key West Sailing Adventures into Separate Businesses

ACTION STATEMENT

Approval of separating Key West Sailing Adventures into three (3) separate businesses and allowing for future selling of each.

PROJECT ISSUE

Key West Sailing Adventures (Albert Tropea) has requested the approval of the Key West Bight Management Board to separate his current business, Key West Sailing Adventures, Inc., into three (3) separate businesses in order to allow him to sell each individually at some future date.

His current lease for each vessel under provision number 15 states the following:

“Except as provided herein, this dockage agreement is not transferable to a new owner; nor shall the slip transfer to a new owner of the vessel without the prior consent of the Key West Bight Management District Board. In the event that both the business and the vessel are sold by Owner to a single purchaser, as evidenced by appropriate proof of sale such as transfer of City and County occupational licenses, transfer of title to the vessel, transfer of telephone number and credit card operations, and provided that said purchaser meets all qualifications required under this Agreement, the purchaser shall have the option of entering into a new dockage agreement for the subject berth upon the same terms and conditions as are offered at the time by CRA to other Owners.

If Owner is a corporation, partnership or other business entity, the names of all persons owning an interest and the percentage of ownership shall be submitted in writing to the CRA. If Owner is a corporation, partnership or other business entity, any proposed sale or transfer of any percentage of such interest therein shall be submitted in writing to CRA prior to the transfer. The sale or transfer of any such interest without prior notice to CRA shall constitute a material breach of this Agreement. The sale of 51% or more of the stock in a corporation to another individual, partnership or corporation shall constitute an assignment of this Agreement requiring approval by the Key West Bight Management District Board. The sale of a

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

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partnership interest constituting 50% or more of the partnership shall constitute an assignment of this Agreement requiring approval by the Key West Bight Management District Board.

Upon change of ownership or a controlling interest in a corporation or a partnership, as described herein, requiring approval of the Key West Bight Management District Board, Owner shall pay to the CRA a transfer fee of \$400.00.”

RECOMMENDATION

Staff recommends approval of the separating of Key West Sailing Adventures, Inc. and for future selling of the new individual businesses so long as there is no changes proposed by the new owner in the operation of the business.