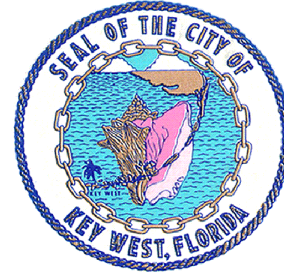


Executive Summary



TO: Key West Bight Board
CC: David Fernandez
FR: Marilyn Wilbarger, RPA, CCIM
DT: July 30, 2012
RE: 201 William Street – Letters of Interest

ACTION STATEMENT

This is a request to review letters of interest and approve entering into lease negotiations for 201 William Street Lane containing 117 square feet.

HISTORY

Public Notice advertised for letters of interest for renting this space and the following responses were received within 30 days of the publication:

		Term	Monthly Rent
Renee Moss	Sterling Boutique Nautical theme jewelry- coin jewelry, sea glass mermaid jewelry, etc	5 yrs	\$1225
Jack Alwani	Bumble Bee Silver Co. Nautical jewelry from seashells to exotic stones from the Caribbean to old world coins from the Atocha	5 yrs	\$1500
Helene Blanchard	Oh La La! Marina style clothing, jewelry, artwork, accessories cigars, and concierge tickets and bookings	5 yrs	\$900
Gary Lichtenstein	Key West's Best Jewelry, cigars, soap, spices, small art prints Conch Republic flags, coffee mugs, etc	10 yrs	\$950
Paul McGrail	Tall Ships Key West Reservations and check-in center for sails, gifts, sundries featuring sailing oriented items, sale of all tours in Key West with first call to KW Bight	5 yrs	\$1275

In addition to considering the lease proposals the board should also be aware that all current leases have a re-location provision that would allow the board to move a current tenant into this space. Currently there is one booth left that may be a candidate for re-location and that is the Schooner Appledore booth which is currently located on the William Street Plaza.

The previous tenant was a jewelry store and we have received two proposals for the same type of use, the first proposal from Renee Moss states that she would sell nautical one of a kind hand made sterling and gold accented with gem stones. The second jeweler Bumble Bee Silver currently has a shop on Greene Street and would specialize in a wide range of jewelry from seashells to exotic stones from the Caribbean to old world coins from the Atocha.

We have also received proposals for gifts/artwork/jewelry. The first is from Gary Lichtenstein who was a previous tenant that operated the Seaport Gallery and now proposes a shop featuring keys products such as jewelry, small art prints, memorabilia books typical of Key West. The second is from Helene Blanchard, also a former tenant that operated Key West Artworks, and she has proposed a mix of clothing, jewelry, multi-media artwork such as photography printed on I-phone covers, serving trays, cigar boxes etc. in addition to offering concierge/ticket sales services.

The last proposal is from Paul McGrail, Sean Rowley and John McKean collectively who propose to utilize the space as a reservations and check-in center for sunset sails, day sails, schooner reef snorkel sails for the Appledore 2 seasonally and the Appledore 5 year round. They have also requested to continue operation of the Appledore sales booth on the plaza and have the ability to sell all Key West Tours with first call to Bight tenants. They would also offer a small merchandise, sundry and gifts and artwork.

ADVANTAGES/DISADVANTAGES

Advantages:

Any of the proposed uses are allowable and all of the proposals received are from experienced business owners.

Disadvantages:

All of the proposed uses overlap and these uses are also already part of the tenant mix at the Historic Seaport making it difficult to move ahead with one proposal without any conflict.

FINANCIAL STATEMENT:

The rents proposed range from \$900 per month on the low end to a high of \$1500 per month, all retail leases in the Historic Seaport also pay percentage rents over a breakpoint in sales and are also subject to additional rent charges for tax, insurance and common area maintenance.

The current rent for the Appledore booth is \$531 monthly and is not subject to percentage rent.

RECOMMENDATION:

Based upon the fact that all of the letters of interest received are within the allowable uses staff would have to recommend the high bid of \$1500 per month or further consideration of the re-location of the Appledore booth whose lease restricts them to selling and check-in for Schooner Appledore only and as such does not conflict with the adjacent water sports tenant.

ATTACHMENTS:

Letters of interest

Letter from tenant