



Historic Vessel Discount Policy

June 2003

History

In keeping with the recommendations from the Key West Advisory Council to the Key West City Commission regarding the original resolution for operation of the Key West Bight #92-400, which states:

“Preserve a place for schooners and other tall ships at the end of Greene Street. Preserve a place for traditional working boats (shrimp, sponge, lobster) as floating museums along the Turtle Kraals pier. Provide interpretative signage and tours for visitors. Offer discounted rents to no more than seven heritage boats and tall ships combined.”

The Bight Board, at the March 19th Bight Board meeting, directed Staff to design a policy providing discounts for tall ships and historic vessels.

Staff explained to the Board that all vessels in the marina are charged for length overall or LOA regardless of whether they dock alongside or perpendicular to the dock. Jim Hendricks, attorney for Schooner Wharf, stood up and said his clients understand that and don't want to be treated differently in that regard but need a discount because of the high cost of operating tall ships or historic vessels. The Board suggested that different levels of discount be implemented to entice historic type vessels to remain here year round.

While it is agreed by all that a discount for these types of vessels should receive some type of discount it was also pointed out by Chairman Capas that Key West Bight Marina is mandated to generate enough money take care of itself and not be a burden on the taxpayers of Key West. In fact the overall plan is for the “Bight” to add money to the City's general fund.

Categories

Resolution #92-400 is specific regarding the number and type of vessels that might receive discounted rates and using this as a foundation, staff has interpreted this as two major classifications of vessels:

- A. Schooners and other tall ships.
- B. Traditional working boats (shrimp, sponge, lobster) as floating museums along the Turtle Kraals pier.

Given the current characteristics the Bight has developed, we recommend a third category. We recommend:

- C. Other. This classification will be determined on a case by case basis by staff and approved by the Bight Board.

This category will allow for vessels that do not fit in the two major categories but contribute to historic presents of the Bight. Tenants have proposed the categories of Vintage and Classic vessels. Staff feels that these vessels were not included in the resolution and should be treated separately. Vessels worth special consideration should be recognized under the “Other” classification.

Advantages

- o Allowing discounts will promote an incentive for the types of vessels described in Resolution #92-400 to work out of Key West Bight Marina.
- o Having these types of vessels in the Historic Seaport will provide the ambiance and authenticity desired.

Disadvantages

- o Giving discounts to these vessels would negatively impact our current budget by \$36,209.

Recommendation

Adopt the following policy;

- o Traditional working boats that operate year round will receive a 50% discount.
- o Schooners and other tall ships that operate continuously on a year round basis would receive a 50% discount of their LOA.
- o Schooners and other tall ships that only operate seasonally would receive a 25% discount of their LOA while occupying the slip and continue to pay 50% of their LOA to hold their slip during the months they are gone. The City has the right to make use of their slip while they are gone per their lease agreement.
- o Discounts will be applied to rate structure in affect.

Visiting vessels (schooners and other tall ships) that stay in the marina will be reviewed on an individual basis by staff to determine, if they meet one of the above classifications. These vessels will only be charged for their length on deck. These vessels will not be operating on a commercial basis.

The vessels that are currently in the Marina that meet these categories are listed below.

Budget

The easiest way to define the impact of these discounts to the budget is to list what these vessels would pay at the current rate and what they will pay with the recommended discounts.

Vessel Name	Current Marina Rate	Discounted Rate	Discount	Classification
America	\$2,446 month	\$1,223 month	50%	Schooner
Western Union	\$2,288.00 month	\$1,144.00 month	50%	Schooner
Appledore	\$1,443.20 month	\$1,082.40 month	25%	Schooner
P. T. Boat	\$880.00 month	\$440.00 month	50%	Other