

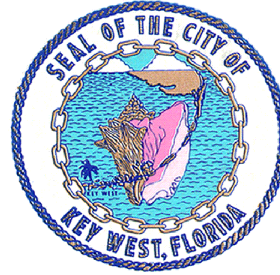
EXECUTIVE SUMMARY

TO: City Commission

CC: Jim Scholl

FR: Marilyn Wilbarger, RPA, CCIM

DT: December 12, 2015



RE: Lease for Paradise Bike tours, LLC at 922 Caroline in the Park-N-Ride

ACTION: This is a request to approve a lease between the City of Key West and Paradise Bike Tours, LLC at 922 Caroline in the park N' Ride.

HISTORY: The space is located inside the first floor of the Park N' Ride and was previously occupied by the luggage storage company that has re-located in the Ferry Terminal. The space was advertised pursuant to City Ordinance and proposals were opened by the City Clerk on November 25th, 2015. One other proposal was received has since been withdrawn. Therefore a lease has been prepared for your consideration based upon the following terms:

Demised

Premises: 500 square feet of storage space

Use: Operation of guided bicycle tour services and storage of bicycles, bike equipment and no other purpose.

Term: Five Years

Rent: \$675 per month (\$16.20 per square foot)

Increases: CPI Annual Increases

Utilities: Tenant shall pay for all utility usage

Security: Equal to two months rent in addition to a personal guaranty

FINANCIAL: The rental rate is comparable to the storage rate charged to other tenants in the Key West Bight and is a market rate for this space at this location. The tenant will post a two month security deposit and sign a personal guaranty.

CONCLUSION: This is a start-up business with the associated risks however there is no initial investment on the City's part and therefore is an opportunity to offer a new young local entrepreneur an opportunity to succeed.

ATTACHMENTS:

Lease

Personal Guaranty

Proposal