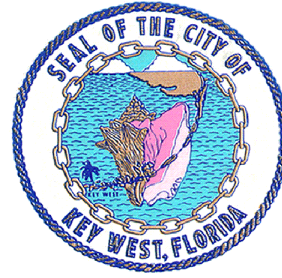


Executive Summary



TO: City Commission

CC: Jim Scholl

FR: Marilyn Wilbarger, RPA, CCIM

DT: August 28, 2017

RE: Island Tranquility Angelfish Pier Lease Assignment

ACTION STATEMENT

This is a request to approve a lease assignment from Island Tranquility, Inc. to Garrison Bight Marina, Inc. for the property located on Angelfish Pier.

HISTORY

The City entered into a lease agreement per Resolution 15-186 for the upland area located on Angelfish Pier which is operated as a commercial docking facility. The Assignor has entered into an agreement to sell the business and desires to assign the lease. The terms of the lease will not be changed and are as follows:

Demised Premises: 1848 Square Feet

Use: Boat slips along the pier

Term: Five Years Effective June 1, 2015

Rent: \$1881.29 monthly

Increases: CPI Annually

Additional Rent: Tenant pays property taxes

Utilities: Tenant pays for all utility usage

FINANCIAL STATEMENT:

The rental rates will continue according to the terms of the lease. The Assignee will post a letter of credit equal to six month's rent (\$11,287.76) and will also provide a personal guaranty. In addition, a \$500 lease transfer fee will be charged to offset the Landlord's costs associated with the preparation of the assignment necessary to effectuate the same.

CONCLUSION: The lease may be assigned with the consent of the Landlord pursuant to Section 10, excerpted here for your reference, as follows:

10. ASSIGNMENT AND HYPOTHECATION - This Lease is not transferable or assignable and may not be hypothecated nor sublet without the prior written consent of the LANDLORD which may be withheld and shall be at the sole discretion of the LANDLORD.

Any assignment or sub-letting, even with LANDLORD'S consent shall not relieve TENANT from liability for payment of Rent or from the obligation to keep and be bound by the agreements of this Lease. The acceptance of Rent from any other person shall not be deemed to be a waiver of any of the agreements of this Lease or to be consent to the assignment for the benefit of creditors or by operation of law and shall not be effective to transfer any rights to any assignee without prior consent of LANDLORD. In the event TENANT wishes to assign this Lease and LANDLORD consents to such assignment, LANDLORD may charge a reasonable fee, not to exceed **\$500.00** to help offset any costs LANDLORD may have in preparing such assignment, or in examining the information, financial statements, operating history, references, etc., necessary to effectuate same. Any assignment, transfer, hypothecation, mortgage, or subletting without LANDLORD'S written consent shall give LANDLORD the right to terminate this Lease and to re-enter and repossess the Demised Premises and the LANDLORD'S right to damages shall survive.

If the TENANT is a corporation, then a sale or transfer of a controlling interest in the corporation by sale of stock or otherwise shall constitute an assignment for purposes of this provision.

The lease assignment requested meets the requirements of the lease terms and conditions.

ATTACHMENTS:

Assignment of Lease and Consent of Lessor
Lease
Assignee Corporate Documents
Assignee Personal Guaranty