



MEMORANDUM

Date: August 8, 2024

To: Honorable Mayor and Commissioners

Via: Todd Stoughton
City Manager

From: Gary Moreira
Senior Property Manager

Subject: **File 24-6152 - Lease Term Extension for Submerged Lands Lease - Garrison Bight Investors, LLC at 1601-1605 N Roosevelt Boulevard**

Introduction

This is a request to approve a lease term extension with Garrison Bight Investors, LLC, (Formerly Garrison Bight Investors, LTD), extending the term for the submerged lands lease at 1601-1605 N Roosevelt Boulevard, Key West.

Background

On September 1, 2019, under Resolution 19-312, the City of Key West entered into the submerged lands lease with Garrison Bight Investors, LTD for the property at 1601-1605 N Roosevelt Boulevard. The five-year lease will expire on August 31, 2024. Lessee recently changed its status from a Limited Partnership to an LLC with no change to the individuals participating in the company. Lessee is requesting an extension of the term for an additional five years effective September 1, 2024. A new one-year lease is proposed with Garrison Bight Investors, LLC as the tenant.

Historically the submerged lands lease rates at Garrison Bight have been set using rates the City is charged as Lessee for submerged land leases it has with the State as Lessor. These rates are regulated by Florida's Administrative Code. Submerged lands at Garrison Bight however were deeded to the city in 1947 and are not subject to the same regulations and rate restrictions. Staff is proposing a one-year extension to this lease in order to engage an appraiser during Fiscal Year 24/25 to determine the fair market rates for lease renewals going forward. All submerged land lease payments for the Eisenhower area are deposited into City Marina account 413-0000-362.29-00 and used toward operations at City Marina.

Procurement

- Demised Premises:** A Parcel of submerged land in section 33, Township 67 South Range 25 East, in Monroe County, containing approximately 7,813 square feet, more particularly described and shown on Exhibit A attached.
- Term:** September 1, 2024 through August 31, 2025.
- Rent:** \$6,641.00/year or \$0.85/s.f. paid in monthly installments of \$553.42.
- Increases:** Proposed rent represents a \$0.10/s.f. increase as prescribed in the current lease.

Recommendation

Staff recommends approval and execution of the one-year lease with Garrison Bight Investors, LLC.

- Exhibits:
Submerged Lands Lease
Exhibit A
Sun Biz Entity Search