



MEMORANDUM

Date: April 1, 2025

To: Caroline Street Corridor and Bahama Village Community Redevelopment Agency, (CRA)

Via: Brian L. Barroso
City Manager

From: Gary Moreira
Senior Property Manager

Subject: **File No.25-3493 - Proposed Lease Assignment – Key West Bait & Tackle**

Introduction

This is a request to approve and execute an assignment of lease from Joseph A. Garr, Joe King, LLC., DBA Key West Bait and Tackle to Deanne Hopp of Fish Monster, Inc. for the leased premises at 241 Margaret Street, Key West, FL at the Historic Seaport.

Background

The CRA entered into a four-year lease with Joseph A. Garr, Joe King, LLC., on May 5, 2021, Resolution 21-094. In February of 2025 staff received a request from Mr. Garr to assign the current lease to Deanne Hopp of Fish Monster, Inc. for the remainder of the term which expires on May 31, 2025. The lease provides for assignment under Section 10 inserted below for your reference.

At its meeting of March 12, 2025 the Key West Bight Management District Board unanimously approved the assignment of lease and recommended the CRA approve and execute the assignment agreement via Resolution KWBB 25-07.

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.

Procurement

The current tenant has met all of the financial obligations of the lease, and the rents and terms set forth in the 2021 lease will remain unchanged including operating under the same name, Key West Bait and Tackle. The assignee has provided their current credit report, current bank statements and present a financial position that meets the approval of staff.

To facilitate this request and ensure that the city retains a viable tenant, there is language incorporated into the lease assignment that reflects the following:

1. The assignee will sign a personal guaranty for the faithful performance of the terms, covenants and conditions of the lease.
2. The lease assignment re-states the terms of the current lease wherein the current tenant is not released from obligations for rent should the assignee default.

Recommendation

The proposed assignee has extensive professional sport fishing related experience as well as retail expertise to successfully operate Key West Bait & Tackle within the current use provision of the lease. The financial safeguards provided by personal guaranty and the continued liability of the current tenant ensure that the CRA will continue to receive the rent provided for in this lease. Therefore, staff recommends approval of the lease assignment and execution by the CRA.

ATTACHMENTS:

Lease Assignment
Personal Guaranty