



MEMORANDUM

Date: February 14, 2024

To: Key West Bight Management District Board

CC: Steve McAlearney, Todd Stoughton, Albert P. Childress

From: Gary Moreira
Senior Property Manager

Subject: **Sunset Watersports Lease Renewal 201 William Street, Unit C**

Introduction

This is a request to approve a lease renewal for Sunset Watersports at 201 William Street, Unit C on the first floor.

Background

Sunset Watersports has been a long-term tenant in this location which facilitates the operations of its water sports activities in the Historic Seaport. Two previous lease renewals were approved under resolutions 14-140 and 19-145. The CRA has a satisfactory leasing history with this tenant and all rental payments due pursuant to the current lease have been made. The previously approved use remains the same therefore the lease renewal is proposed based upon the terms below.

Procurement

Use: Sales, ticketing and check in for patrons of the tenant for vessels operated by the tenant in the Historic Seaport, and the sale of tickets for any business conducted by LANDLORD'S other tenants in the Historic Seaport, retail sale of surf shop apparel, water activity related items and Sunset Watersports logo hats, T-shirts and visors, a walk-in cooler for storage of TENANT'S perishable goods and for no other purpose.

Term: 60 months, commencing May 1, 2024.

Rent: \$3,125.00 per month. \$50.00/s.f./month

Increases: Base rent adjusted annually by any increase in the Consumer Price Index.

Additional Rent: Tenant shall pay its pro-rata share of CAM, Taxes and Insurance.

Percentage Rent: 6% in excess natural breakpoint.

Utilities: Tenant shall pay for all utilities.

Recommendation

Staff recommends approval of the lease renewal.

Attachments:
Exhibit A
Lease