



MEMORANDUM

Date: May 2, 2023

To: Honorable Mayor and Commissioners

Via: Albert P. Childress
City Manager

From: Gary Moreira
Senior Property Manager

Subject: **Lease Renewal Request Schooner Appledore ticket booth at the Historic Seaport**

Introduction

This is a request to approve a lease renewal for the Schooner Exploration Associates of Maine, LLC dba Schooner Appledore for the ticket booth located at William Street Plaza.

Background

Schooner Exploration Associates of Maine, LLC has a lease for the ticket booth at William Street in support of the operation of the Schooner Appledore which is docked in an adjacent slip. They have been a tenant of the Historic Seaport since 1998 and extended their most recent lease on June 21, 2016 under resolution 16-204. Tenant assigned its lease as approved under resolution 17-015. Tenant's lease has been month-to-month since the lease expired on December 31, 2020. (Tenant explains the reason for allowing the lease to lapse in the attached letter). This lease renewal was approved by the Key West Bight Management Board at its meeting on April 12, 2023, KWB 23-09. The lease approved under this resolution provided for Paul McGrail, Managing Member of the LLC, to be the signatory. Sean G. Rowley, the other Managing Member of the LLC advised my department that Paul McGrail is currently out of the country and would be unable to sign the lease prior to the May 2nd Commission meeting. The lease was subsequently changed at Mr. Rowley's request he is now the signatory and Guarantor for the proposed lease.

Procurement

Demised Premises: Booth containing 30 square feet.

Use: Ticket sales and check-in for the patrons of the Schooner Appledore and the sale of tickets for businesses conducted by Landlords other tenants within the Historic Seaport.

Term: Five Years, effective May 1, 2023

Rent: \$814.00 per month. (\$325.00/square foot/year).

Increase: Increase in base rent annually based upon the Consumers Price Index.

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

Percentage Rent: None

Utilities: Tenant shall pay for all utility usage.

Recommendation

Pursuant to Sec. 2-941 of the code of ordinances, the area must be advertised for a new lease unless the city finds that an exception is warranted under “in the best interest of the city”. Here, this is a long-standing historical use by a company in good standing, operating a historic schooner. The Bight Management District Board has consistently stated a preference for working boats and historic schooners, for which this qualifies the ticket booth is an integral part of the operation of the historic Schooner Appledore and approval is recommended by staff.

Exhibits:
Lease
2016 Lease
2019 Lease Amendment
Tenant Letter to Board and Commission
Personal Guaranty
Corporate Filings