

PIER B DEVELOPMENT CORP.
BULLET POINTS REGARDING MODIFICATION OF BOT No. 440020075

The principal factors which support the requested modifications to the Pier B SLL are:

- Resolution No. 93-405, passed and adopted by the Key West City Commission on September 14, 1993 approved the execution of the Declaration of Covenants, Conditions and Restrictions (the “Cruiseport Agreement”) which declared covenants, conditions and restrictions encumber Pier B and which include the duty and obligation to maintain a fully operational cruiseport on Pier B to be utilized principally for cruiseport operations, use best efforts to solicit and book cruise ships so as to maximize disembarkation revenue while emphasizing upper-market cruise ship tourism, and pay to the City of Key West, Florida 25% of the disembarkation fee collected from cruiseport operations. We believe this lease modification is in furtherance of our obligations under the Cruiseport Agreement.
- Provision is made in subsection 18-21.008 (2) for the Board to make available an extended term lease for 25 years for existing facilities or activities where the use of the sovereignty submerged lands and existing or proposed structures on sovereignty submerged lands have or will have an expected life, or amortization period, equal to or greater than the requested lease term where the applicant has demonstrated that an extended term is necessary to satisfy unique operational restraints. The requirement to comply with the terms and provisions of the Cruiseport Agreement impose unique operational restraints.
- The granting of an extended term lease for 25 years is a necessity to insure access to sovereignty submerged lands to moor cruise ships at Pier B. Over extended periods of time to accommodate an industry whose worldwide method of operation requires planning years in advance.
- In May, 1999, the Board of Trustees executed Modified Sovereignty Submerged Lands Lease 440020075 for the purpose of berthing cruise ships up to 1005 feet in length.
- The longest ships scheduled to come to Pier B in 2023 are the Celebrity Solstice class, which are 1’040’ to 1’047’ in length and 122,000 GRT. There are only nine calls on the schedule for 2023 and 27 for 2024.
- These ships have been coming to Pier B for over six years without issue.
- We are requesting only the exact same lease area we are currently using.
- There have been no issues with our use of this same lease area.
- Pier B Development Corp. owns all of the upland associated with this request.
- Pier B Development Corp. has provided the City with environmental studies as it relates to the area around Pier B, we will forward an update prior to the meeting.