



MEMORANDUM

Date: March 4, 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: **Lease Renewal – Local Color Key West, Inc., dba Local Color
278 Margaret Street in the Historic Seaport**

Introduction

This is a request to approve a Five (5) year lease renewal for Local Color Key West, Inc., dba Local Color, located at 278 Margaret Street, at the Historic Seaport.

Background

At its meeting of February 12, 2025, The Key West Bight Management District Board, via Resolution KWBB 25-05, recommended the CRA approve and execute a new lease between the CRA and Local Color Key West, Inc. providing for a lease renewal term of five years.

Local Color owned and operated by Mr. Jack Anderson is a long-time and valuable tenant of the Historic Seaport under the current lease via Resolution 19-216 and two previous leases, Resolutions 07-278 and 14-190. On the recommendation of the Board, staff has worked with Mr. Anderson and an agreement was reached to downsize and retain the Local Color retail store.

The CRA has a satisfactory leasing history with Local Color and all rental payments due pursuant to the current lease and previous leasehold obligations have been made. The previously approved use remains the same therefore the lease renewal is proposed based upon the terms below.

Procurement

Use: Retail Sale of fashion apparel, jewelry, accessories, and gifts and no other purpose.

Term: 60 months, commencing March 1, 2025 and ending February 28, 2030.

Rent: \$6,760.00 per month. (\$48.00/s/f./year.).

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 of natural breakpoint of \$1,352,000.00.

Utilities: Tenant shall pay for all utilities.

Recommendation

Staff recommends Board approval of the lease.

Attachments:
Lease