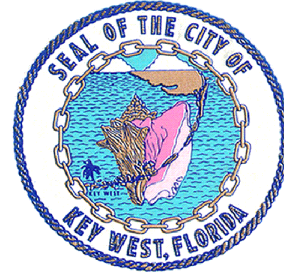


EXECUTIVE SUMMARY



TO: Key West Bight Management District Board
City Commission

FR: Marilyn Wilbarger, RPA, CCIM

DT: July 18, 2017

RE: Bumble Bee Silver Co. Lease Renewal

ACTION: This is a request to approve a lease renewal for Conch Tees and Souvenirs, Inc. DBA Bumble Bee Silver Co. at 201 William Street, Suite 110.

BACKGROUND: In 2012, the CRA advertised for letters of interest and a lease for five years was awarded to this tenant. The tenant has requested a renewal of the lease for another five-year term. The rent is at a market rate for this space and will continue to increase based upon the Consumers Price Index. The lease is attached for your consideration based upon the following proposed basic terms:

Demised Premises: 201 William Street containing 112 square feet

Use: Retail sale of a wide range of nautical jewelry including seashells made into jewelry, exotic stones from the Caribbean, old world coins from the Atocha and no other purpose.

Term: Five Years, Effective October 1, 2017

Rent: \$1,568.56 plus CPI per month in year one

Increases: Annual CPI increases in base rent

Additional Rent: Tenant shall pay its pro-rate share of CAM, Taxes, and insurance

Percentage Rent: 6% in excess of the percentage rent base amount

Utilities: Tenant shall pay for all utility usage

FINANCIAL: The tenant is in good financial standing and has an excellent lease history. The rent will keep pace with inflation maintaining the financial returns to the CRA for the renewal term. The reimbursement of the prorated share of the operating expenses is also a stabilizing economic factor.

CONCLUSION: The continued success of Bumble Bee Silver is an asset to the Historic Seaport as the longevity of the businesses located there are now attracting repeat business from returning visitors making the area a destination in Key West.