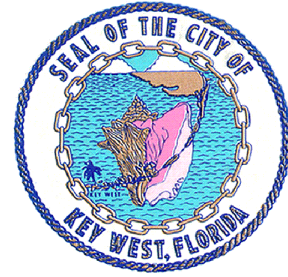


Executive Summary



TO: Key West Bight Board
Community Redevelopment Agency

CC: Greg Veliz, Doug Bradshaw

FR: George Wallace, Assistant City Attorney

DT: March 9, 2021

RE: Lease Renewal 241,251 A, 251 B Margaret Street Key West Bait and Tackle

ACTION STATEMENT

This is a request to renew a lease at 251 A-B Margaret Street pursuant to the public notice therefore.

BACKGROUND:

Pursuant to Resolution 14-138 Christopher M. King, Joseph A. Garr, and Joe King LLC and held the lease for Key West Bait and Tackle at 241,251A-B. The tenants would like to renew the lease and have an excellent rental history. Christopher King has withdrawn from the business and is no longer a participant in the lease or the business.

Tenant: Joe Garr, and Joe King LLC DBA Key West Bait and Tackle

Use: The current Bait and Tackle store with no additional retail uses requested continuing to use the upstairs for private offices and storage.

Demised Premises: 3,444 Square Feet comprised of:

Existing Retail	2,116
2 ND Floor	1,000
Covered Porch	216
Covered Storage	112

Term: Four Years beginning June 1, 2021.

Rent: \$37.06 per square foot for the entire first floor retail space
\$27.25 per floor for the second floor offices/storage
\$28.34 for the covered porch/eating area
\$17.45 per square foot for the rear covered storage area

This represents a blended rate of \$33.03 per square foot

Tax, Insurance and CAM:

Per Maximus the covered outdoor areas are charged at 50% therefore the square footage for this additional rent is 3,280

Percentage Rent: 6% over the break point

Building

Improvements: The tenant will accept the space in an “as is” condition and will be solely responsible for any improvements. Tenant may create an interior opening between 241 and 251A Margaret.

Parking Lot: The tenant has specifically requested that the parking lot in front of the store not be closed for special events during business hours as his customers have no access and it is highly detrimental to the business.

FINANCIAL IMPACT:

The base rent proposed at \$34 per square foot is a market rate for comparable space in the Key West Bight and the blended rate breaks down as follows:

	Sq.ft	Rate	Annual	Monthly	Cam	Annual	Monthly	
Retail		per sq.ft	rent	rent	sq.ft	cam	cam	
						\$4.85		
Existing	2116	\$37.06	\$78,422.03	\$6,535.17	2116	\$10,262.60		
Office	1000	\$27.25	\$27,251.07	\$2,270.92	1000	\$4,850.00		
Covered porch eating area	216	\$28.34	\$6,121.44	\$510.12	108	\$523.80		
Covered storage	112	\$17.45	\$1,954.40	\$162.87	56	\$271.60		
	3444		\$113,748.94	\$9,479.08	3280	\$15,908.00	\$1,325.67	
Blended base rate		\$33.03						
Monthly rent+ cam	Sales tax	Monthly total						
\$10,804.75	\$756.33	\$11,561.08						

RECOMMENDATION:

Approval of the lease renewal as proposed.

ATTACHMENTS:

Public Notice

Draft lease

Personal Guaranties

Corporate Information

Payment History