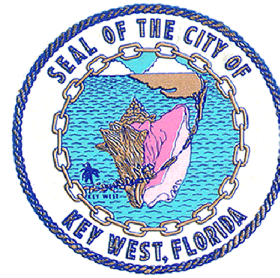


Executive Summary



TO: Key West Bight Board
Community Redevelopment Agency

CC: Doug Bradshaw
Gregory W. Veliz; Patti McLauchlin

FR: George B. Wallace, Assistant City Attorney

DT: August 7, 2021

RE: Lazy Way Lane Unit C and D Lease Renewal

ACTION STATEMENT

This is a request to approve the Lease renewal for S&M of Lazy Way, Inc. a dissolved Florida Corporation DBA Fisherman's Café for Units C and D on Lazy Way Lane. The lease will be immediately assigned to Fisherman's Café', Inc. owned by the same surviving owner of the dissolved corporation, Scott Saunders.

HISTORY

The lease for Unit C was assigned to S&M of Lazy Way Inc. in April of 2015 and the tenant also occupies the adjoining Unit D under a separate lease. The leases for both units expired on August 30, 2020 and due to Covid and other circumstances was not renewed at that time. In the interim it was discovered that S&M of Lazy Way Inc had transferred its assets, including the lease to Fisherman's Café' as a part of a business restructuring without the City's notice. The primary owner of the two entities, Scott Saunders, is the same and there has been no detriment to the City caused by the change in the business format. The City and the Tenant have agreed to renew the lease to the dissolved corporation as a part of the winding up of the business of said corporation and to immediately assign the lease to the new corporation.

Additional space for limited on-site consumption has been added to the lease consisting of 174 feet of the wooden deck adjacent to Lazy Way. This space will be abandoned should the City proceed with planned redevelopment of Lazy Way and the rent adjusted at that time.

Demised Premises: Unit C and D Lazy Way, 576 Square Feet

Term: September 1, 2020 through August 31, 2025

Rent: \$3,384.96 plus CPI monthly retroactive September 1, 2020

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

Use: Preparation of food products and operation of a retail store offering a variety of fresh fish and island specialties with beer and wine for take away only, and no other purpose.

Increases: Annual CPI

Additional Rent: Tenant shall pay their proportionate share of common area maintenance expenses, property taxes and insurance

Utilities: Tenant shall pay for all utility usage

FINANCIAL STATEMENT:

Scott Saunders has posted a six-month security deposit as security for the payment of rent.

CONCLUSION:

The lease renewal will slightly expand the area of the lease for at lease some period of time. The assignment of the lease will clean up the City's records of the status of the lease.

ATTACHMENTS:

Lease

Corporate Filing

Personal Guarantee Scott Saunders

Rental history