

EXPLANATION OF CONSENT AGENDA ITEM E.1.c.(12) April 15, 2015

ITEM:

Consideration of approving staff to enter into a three (3) year lease for a 600 square foot retail space at Cruise Terminal 1 plaza with The Florida Key Lime Pie Company. The Lease Agreement has been reviewed and approved by General Counsel and the Port Attorney.

EXPLANATION:

The Florida Key Lime Pie Company is requesting to enter into a three (3) year lease agreement for a kiosk at the CT1 plaza under the following terms and conditions.

Lease Commencement Date:	upon completion of kiosk
Lease Term:	3 years
Usage:	Gourmet Cheesecakes, Florida and Island made products
Rental Rate:	\$1,667/mo
Rate per sq ft:	\$50.00 NNN/Annually
Capital Spending:	\$107,000
IRR:	-0.28%
NPV:	(\$24,894.54)

Yields turn positive during second lease term period.

Funding Review by Finance (Pat Poston): The total NTE amount of \$107,000 if approved will exceed the capital budget by \$107,000 and will result in an increase to the FY15 Capital Budget. {Budget item 2075 – Maritime/Tenant Imp.]

**Staff Recommends Approval
Prepared by Diane Denig**

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