

RECREATION, LIBRARIES AND AUTHORITIES COMMITTEE

09-0516R

RESOLUTION AUTHORIZING A LEASE AGREEMENT WITH FUN TIME, LLC, FOR THE LEASE OF THE PILOT HOUSE IN CANAL PARK.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to enter into a lease agreement, substantially in the form of that on file in the office of the city clerk as Public Document No. \_\_\_\_\_, with Fun Time, LLC, for the lease of the pilot house of the vessel *George Hindman* in Canal Park, all rent payable into Fund 110, Dept. 120, Org. 1217-2120, Revenue Source 4644, and all monies for capital improvement payable into Special Project Fund 210, Dept. 030, Org. 3150.

Approved:

Approved for presentation to council:

\_\_\_\_\_  
Department Director

\_\_\_\_\_  
Chief Administrative Officer

Approved as to form:

Approved:

\_\_\_\_\_  
Attorney

\_\_\_\_\_  
Auditor

COMM RESOURCES/ATTY      JMC:blj      8/6/2009

STATEMENT OF PURPOSE: For a number of years the Canal Company has operated a seasonal gift shop in the pilot house of the vessel *George Hindman* in Canal Park during the tourist season. The lease was recently terminated by the Canal Company. The City put out a request for proposal to lease the Pilot House and received a proposal from Fun Time.

Fun Time has provided Italian surreys, specialty bikes, and 2-wheel bicycles to local and non-local visitors of Canal Park since 2004. Fun Time was located approximately 75 feet north of the Pilot House through November 2008. Due to the expansion of the Comfort Suites Hotel in 2008, Fun Time moved to the parking lot of The Canal Park Inn. The move has been detrimental to its business due to the lack of exposure and the difficulty in monitoring guests that ride the bikes.

Fun Time proposes a five year agreement for lease of the Pilot House starting in 2009 and has agreed to pay \$6,500 for 2009, and \$17,000 for the following four years plus a 5% increase for years four and five. Fun Time has also agreed to provide the City an additional \$5,000 per year for the first three years of the agreement for capital improvements to the Lakewalk area, such improvements to be chosen by the City. Fun Time will lease the Pilot House from May through October. Staff recommends approval of the lease agreement. Additionally, the Canal Park Business Association was notified of the pending lease to Fun Time LLC and indicated their support.