

Hillsboro Inlet Fishing Center
Summary of Changes in Proposed Lease

Term: Proposed Lease will run from now until October 31, 2028. Existing lease expires June 30, 2019. The proposed lease provides for two (2) additional five-year options with notification of extension specified.

Uses: Lease specifically permits party boats and cruise boats (which can include sightseeing boats and party dinner boats).

Uses: Lease specifically prohibits gambling, in or out of port, as well as activities conducted while docked, unless incidental to the out-of-port activity.

Uses: A live bait retention area, to be developed, is specifically authorized. Previous lease limited this use to the Southwest corner. New area will be in the Northwest corner.

Utilities: Facilities to be provided by City is clarified, and consistent with existing facilities.

Rent: Approximately the same as under the existing lease. Rent for transient use is not specified in the existing lease, but is set for \$40 per day in the new lease.

Rent: Cost of living increases occur every second year, based on a two-year increase of the Consumer Price Index (CPI).

Termination for excessive vacancies: Provides for 90 day notice instead of 60 day notice.

Penalties: Payments are applied to penalties before being applied to rent. This is a clarification.

Cost of Living Increases: Dates are adjusted, but otherwise no changes.

Licenses and Subleases: Clarifies that office space and bait operation are authorized.

Uses: Clarifies that a floating office in Slip 1, as an adjunct to a rescue vessel in Slip 2, is considered to be a water-dependent use (subject to compliance with applicable statutes) and even though a floating office remains semi-permanently docked.

Uses: Transient (overnight) use is specifically authorized. Written dockage agreements for transient use is not required, but transient use must be reported.

Sales Tax: The relationship between the City and the Fishing Center is clarified for Sales Tax purposes.

Improvements: The Fishing Center must invest at least \$20,000 in capital improvements, with at least half before September 30, 2020. Nature of capital improvements is generally defined.

All other changes are for consistency, and are not substantive.