

Tuesday, December 8th, 2009

MEMORANDUM

To: Sawmill Cove Industrial Park (SCIP) Board of Directors
From: Garry White, Director
Subject: Boat Company Building

Background

The CBS entered into a 10 year lease on Lot 4 in 2000 with the Boat Company for 26,031 SF of upland property and 24,214 SF of tideland property. The first year of operation the Boat Company constructed a building on the upland lease area, which they own, with plans to construct a floating docking structure to complete maintenance on their vessels. The Boat Company halted their plans for development on their lease property in 2001 due to a shift in their business plan. The property has sat vacant since.

Proposal

The Boat Company has transferred ownership of the building to the McIntosh Foundation. The McIntosh Foundation is proposing to gift the building to the CBS without any consideration.

The McIntosh Foundation wishes to complete this transaction by the end of their fiscal year, 12/31.

The Boat Company wishes to terminate their current lease which expires 10/2010 concurrently with gifting the property.

General Building Description:

The 6,900 SF building was built in 2001. Building dimensions are 60' wide by 115' long by 12' tall. The building is a sidewall engineered metal building with radiant slab heat and R-19 insulation. The building does not have utilities hooked up the building, but utilities are available in the area. The building is not currently sprinkled, but the fixtures to complete the process are on premise and will be transferred with the building. Additional building materials will also be included in transfer. The building appears to be in excellent condition.

The 2009 CBS assessed Value is as follows:

Building:	\$306,500
Lease-hold interest:	<u>\$177,500</u>
Total Value	\$484,000

Action:

SCIP Board Recommendation to the CBS Assembly to accept building from McIntosh Foundation and concurrently early termination of existing lease of property.