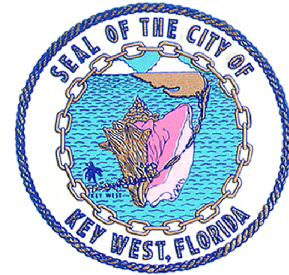


# EXECUTIVE SUMMARY



**TO:** City Commission

**CC:** Jim Scholl

**FR:** Marilyn Wilbarger, RPA, CCIM

**DT:** October 9, 2014

**RE:** The Key West Cultural Preservation Society Agreement Renewal

## **ACTION STATEMENT:**

This is a request to enter into a renewal of the agreement with the Key West Cultural Preservation Society, Inc. (CPS) a Florida Not for Profit Corporation for the purposes of providing a public "Sunset Celebration" and artisans market at Mallory Square/Dock.

## **BACKGROUND:**

The City previously entered into an agreement in 2004 Resolution 04-131 for this use, at this location, in support of the city's arts and culture. The agreement expired on March 22, 2014 and was extended on a month to month basis at that time, per Resolution 14-092.

A new agreement has been drafted and is presented here, for your consideration. The Board of Directors of CPS have unanimously approved the following proposed terms:

**Term:** Five years effective November 1, 2014

**Use:** CPS will provide a public Sunset Celebration for four hours daily consisting of free live performances, limited sales of edibles, and goods hand crafted by artists. CPS will operate in accordance with their Articles of Incorporation, By Laws and Standard Operating Procedures (SOPS). The SOPS are initially established as an exhibit to the agreement and are titled 2014 Amended SOPS. Thereafter, any changes will be subject to approval by the City Manager, and an affirmative vote of the participating members.

Additionally, CPS shall have the right to establish guidelines, subject to approval by the City Manager, for the extended use and occupancy of the area for the purposes of providing an artisans market on days when cruise ships are in port. The extended period will begin at 10:00AM and continue into the Sunset Celebration.

**Participants:** CPS shall control the number and the locations of participants in accordance with the SOPS and as shown on Exhibit “A” of the agreement. All participants will be subject to the current daily fee of \$20.00. CPS will collect and maintain records of each participant’s sales and use tax certificate in addition to any other licenses that may be required for the participants’ particular use.

**Use Fee:** The current monthly fee of \$6,566.37 will remain in effect until January of 2015 and thereafter will be adjusted annually by any increase in the Consumers Price Index over the previous year.

**Insurance:** CPS will provide commercial general liability coverage naming the city as an additional insured in the minimum amounts currently prescribed by city underwriters which are \$2,000,000 aggregate and \$1,000,000 per occurrence.

**Status:** CPS will maintain its non-profit status throughout the term of the agreement and any failure to do so will be cause for termination.

**Financial:** CPS will continue to provide the city with quarterly financial statements and will provide the city with an audit prepared by an independent certified public accountant once every three years which is consistent with the frequency required by the city audit ordinance.

**CONCLUSION:**

CPS operates the Sunset Celebration, an iconic Key West tradition, which will continue to provide visitors and locals alike with the unique gathering that celebrates visual and performing arts. The ability to extend the period of use will provide further economic opportunity to the CPS members and will bring Mallory Square to life during the daytime hours while enabling cruise ship visitors to experience the art and creativity that is a reflection of the culture of Key West.

**ATTACHMENTS:**

Draft Agreement

Resolution 04-131 Expired Agreement

Resolution 14-092 Month to month extension

CPS documentation:

Cover Letter

Ballot to amend Bylaws

CPS Bylaws 2014

Ballot to amend Standard Operating Procedures

2014 Amended Standard Operating Procedures