

Key West Cultural Preservation Society
"Sunset Celebration"
PO Box 4837
Key West, FL 33041

August 27, 2020

Via email

Ms. Patti McLauchlin
Assistant City Manager
City of Key West
1300 White Street
Key West, FL 33040

Dear Ms. McLauchlin:

Sunset Celebration endures as an iconic and beloved tradition for residents and tourists. Its sole purpose as a nonprofit organization is to support and encourage cottage industry of the Arts. In a town of increased chain & franchise establishments, Sunset Celebration remains a strong supporter of the Arts. Retaining this tradition and commitment to the Arts is more important now than it ever has been. Keeping the artistic tradition alive is the one thing that has not changed over time and is a true part of the "old" Key West.

Prior to the 11 week shutdown, we were poised to aggressively recruit new vendors and had been awarded a grant to help with that campaign. We were also looking to establish advertising revenue opportunities through a fold out map brochure placed in various racks around town. As a City leader, we know you are acutely aware of what the shut down and continued pandemic has done island wide for tourism - limited hotel rental capacity, fear of contracting COVID-19, declining air travel, etc. has all contributed to where we are now.

The subsequent short term shut down over the Independence Day holiday also adversely affected us and contributed to the idea that Sunset Celebration was closed. Time and again, we respond to different social media posts questioning if we are open. We have started a hotel outreach with the message that we are operating 7 nights a week.

Sunset Celebration is struggling financially. Our volunteer board (who are participants in the event) have seen the organization financially weakened to a crisis point. Our nightly number of participants (the artists and performers) have declined due to the lack of tourists and also the fear of contracting COVID-19 from our visitors. The mask mandate complicates matters for a few performers as well. We know we are a long way from getting our full roster of participants back to work on a nightly basis.

All of this combined has an end result of an operating a loss of approximately \$200 per night. The event currently costs \$12,000 a month to operate in total, with about half that cost paid to the City under the current Use Agreement.

We are dangerously close to being out of money.

While we are aggressively recruiting new artists, pursuing advertising sponsorships, developing “Sunset Celebration souvenirs” and fundraising to solicit help from supporters of this beloved Key West tradition, it’s going to take a while to recover the event to its former level. All this is being done while implementing and being mindful to operate under the required safety measures.

Sunset Celebration needs support and help from the City to continue this iconic event. At this time, we would like to formally begin discussion on renegotiating the terms of our Use Agreement with the City.

We are proposing the following to the City to consider:

- Reduce the current fee from \$200 a night (\$50 per hour/4 hours) to \$500 a month on a temporary basis while we recover. \$500 a month is based on the current Duval Street permit rate for artists of \$150 per year. We calculate the proposed \$500 a month Use Agreement fee based on \$150 per year for 40 participants working at Sunset Celebration. ($\$150 \times 40/12$).
- Sunset Celebration would continue to manage the event. Security and event management along with trash removal would continue to be paid by Sunset Celebration as outlined in our Use Agreement.
- Sunset Celebration would continue to follow the bylaws and SOPs currently in place.
- Sunset Celebration would keep its Event Insurance policy in place.

In return for the rent concession, Sunset Celebration would remit a monthly profit and loss statement to the City. As the event recovers during this challenging time, the rent due to the City would be again open for renegotiation.

The Board is also eager to help make the Mallory Square space more of an attraction and destination place during the day and after Sunset Celebration has ended. This would not only support our neighboring business’ but would help enhance our festival atmosphere. We have a few event ideas we would like to discuss.

We appreciate your time and thoughts on this matter. You are most welcome at our next Board meeting on Wednesday, September 9th, 4:00 p.m., Bayview Park and we are available to you prior to that date via a Zoom meeting (or in person) at your convenience.

Sincerely,

The Board of Directors
Key West Cultural Preservation Society
“Sunset Celebration”

cc: Mayor Teri Johnston, *via email*