

To: Angela Budde <abudde@cityofkeywest-fl.gov>
From: gregory lloyd <glloyd7@yahoo.com>
Subject: Agenda Item 14 for 3/16/16 Commission Meeting

Please add to the record.

Item #14, which calls for a one year extension of the agreement between the City and the TDA (Tourist Development Association). If adopted this would extend the Fantasy Fest contract for another year, putting the taxpayers on the hook for another subsidy in the amount of approximately \$225,000.

It is well past time for the organizers of Fantasy Fest to pay their own way or at a minimum cover the bulk of the City's expenses. The very successful "Zombie Bike Ride" is self-funded, so is the "Red Party" at Fogerty's, as well as, "Kelly's Kinky Karnival" and a myriad of other events that bear their own costs. Why shouldn't FF do the same?

Although on paper the TDA may be losing money on Fantasy Fest, their private sister company, Market Share, which runs the festival and shares the same personnel and office space, is most definitely making a hefty profit between management fees, marketing and sponsorships alone.

In terms of financial benefits to the City, the argument is made that the City collects *massive amount of sales tax over FF* however, the sales tax collected by the City is only a fraction of one cent and there is no discernible increase in tax revenues from one month to the next that can be attributed to this event. How much is really collected in the City's coffers from the packed busses from Miami and Homestead who arrive with their chairs and over flowing portable coolers already in hand? These crowds are not buying in our stores or eating in our restaurants so, who is benefiting? Other than the hoteliers who are gauging at a double or triple rate and requiring minimum stays.

The taxpayers of Key West should no longer have to supplement the profits of Market Share for an event that can now more than pay for itself. The fact that Market Share/TDA sold advertising, collected sponsorship fees for an event in 2016 that they had not yet contracted for is their problem and not the City's to remedy at the taxpayer's expense.

Gregory Lloyd
Key West Resident

From: gregory lloyd [<mailto:glloyd7@yahoo.com>]

Sent: Tuesday, April 05, 2016 9:28 AM

To: Margaret Romero <mromero@cityofkeywest-fl.gov>; Craig Cates <ccates@cityofkeywest-fl.gov>; Jimmy Weekley <jweekley@cityofkeywest-fl.gov>; Samuel Kaufman <skaufman@cityofkeywest-fl.gov>; Billy Wardlow <bwardlow@cityofkeywest-fl.gov>; Richard Payne <rpayne@cityofkeywest-fl.gov>; Clayton Lopez <clopez@cityofkeywest-fl.gov>; James K. Scholl <jscholl@cityofkeywest-fl.gov>; Cheri Smith <csmith@cityofkeywest-fl.gov>

Subject: Agenda Item #28 - Please add to the Record

Regarding the Executive Summary posted as of 4:00pm 4/4/16 – Please add to the record

Although as a retired trial attorney, I applaud any good faith effort on finding a reasonable compromise, the City's overture to TDA/Market Share of subsidizing Fantasy Fest to the tune of approximately \$790,000 over a 5 year period is overly generous. This offer is also based on an assumption that the City's costs will not continue to rise over the next 5 years.

Market Share doubled their request for TDC funds from \$180,000 in 2013 to \$260,000 in 2014 and received \$40,000 more said funds in 2014, given these facts, it seems highly unlikely that the City's costs will go down. It also seems somewhat disingenuous that they would request funds to advertise/market/promote an event that is already at capacity while crying poor and unable to pay for the additional services that will be required – to give TDA/Market Share 5 years of unchecked growth potential without the ability of the City to rein them in would be irresponsible. Not to mention that there are any number of non-profits and events that would greatly benefit from those TDC monies whereas Fantasy Fest definitely does not need the advertising any more. It should also be pointed out that Fantasy Fest is not the only major event in Key West, in fact, more and more are popping up throughout the year and should be given just as much consideration. It should also be taken into consideration that there has been discussion (and I don't know where it's headed) that TDC monies may be able to be redistributed for Affordable Housing. If you start the clock with 5 years, you may miss the train as to these potential funds.

There are several events that are primarily self-funded over the same time frame as Fantasy Fest. It is well past time that Fantasy Fest does the same. This community can better put its limited financial resources to work, funding an understaffed fire department rather than ensuring the profits of Market Share.

At a minimum, this should be a 50/50 split with no longer than a 3 year contract.

Gregory M Lloyd
Key West Resident