

**From:** gregory lloyd <glloyd7@yahoo.com>  
**Sent:** Monday, June 2, 2025 3:31 PM  
**To:** City Clerk External E-Mail  
**Subject:** [EXTERNAL] Agenda #56 June 4, 2025

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To be included with Agenda #56.

Re: Key West Yacht Club Lease

City Hall, rather than looking at raising our property taxes by an unprecedented and staggering 30%, to cover the cost of a generally mismanaged and fiscally irresponsible city government should instead be looking at getting fair market rents for our city-owned Key West Yacht Club.

This exclusive membership club, located at 2315 North Roosevelt Blvd, is within Garrison Bight with its 68 wet slips in various sizes, 3 transient rental slips, dock restroom facilities with showers, boat ramp, full-service dining room, bar, ship store, and gift shop, and is a cash cow raking in over one million annually in dockage fees alone.

This enterprise, which we subsidize in a myriad of ways, is a money-generating machine that benefits only the privileged few among us.

And yet, the club still only pays \$1 a year to the city for its lease. No taxes. No PILOT payments. No revenue sharing. Nada, zip, zero, nothing!

The fact that they have not contributed a penny in the past is no legal excuse for not honoring their lease in the future.

The original lease includes a clause (Clause Seven) that prohibits the subleasing or reassignment of slips without the City's written consent. Public records show the city has no record of granting that consent—ever!

The City has either failed to notice or failed to act on this blatant breach of contract. According to legal experts, the city may be able to recover up to four years' worth of unpaid sublease fees—\$300,000 to \$400,000 per year—based on market comparisons and usage.

Instead of pushing unaffordable tax hikes on residents, further driving up rents and pushing even more people out of Key West, our City leaders should instead take a hard look at how much money has been left on the dock.

I personally have visited this facility—it is stunningly beautiful! This nationally recognized yacht club stands on a piece of priceless city-owned property. It's an untapped treasure.

Its influential membership cuts right through the upper echelons of City Hall, including our current city manager, Brian Barroso, and our current City Commissioner of District V, Mary Lou Hoover—just to name a couple.

In addition, past and present chairmen of our Planning Board are members.

Our longest-sitting former city mayor and current county commissioner partied and kept his motorized yacht docked there. He is still a member in good standing.

Its membership list is a virtual “who’s who” of the families of the most prominent developers, attorneys, and construction companies in town.

It’s long been a boys’ and girls’ club where the rich and influential amongst us gather to socialize. It’s a place where deals are struck—and political futures are forged.

Our interim city attorney, Ms. Hardin, mentored by disgraced former city attorney Ron Ramsingh and associated with the Key West High School Class Reunion Committee (which holds two memberships to the yacht club), put out a “Legal Memorandum” on June 1st to the City Commissioners justifying the blatant breach of contract/lease. It was meritless on its face, intentionally omitting relevant terminology in Clause Seven (e.g., “provided”), designed to confuse and blur the basic precepts of contract law (see Footnote #1). Like her predecessor, she does a disservice to our community as she continues to advocate for the status quo over the needs of our community (see Footnote #2).

If we are to make the working class and retired houseboat liveaboards with limited financial means—right across the waterway in Garrison Bight—come into some level of conformity with escalating marina fees, how can we, in good conscience as a caring community, not ask the same of our very own city yacht club?

How can you say to other city property lessees that you must honor the terms of your lease, but those amongst us who can most afford it don’t have to?

Have we learned nothing from the findings of the Grand Jury Report? Is there still to be one standard for the well-connected and another for everyone else? If we are to change and reform the functioning of our city governance and “build back better” (to coin a phrase from our city manager), I can think of no better place to begin than with revisiting the Key West Yacht Club lease!

Don’t let our property taxes skyrocket, thereby making our city even more unaffordable. Instead, let’s simply collect what’s due and owing to our community and follow the recommendations of reforms from the Grand Jury Report—as our mayor has pledged to proactively do.

#### Footnote #1

a) *Robbins v. Scarselli*, 946 So. 2d 971 (Fla. 4th DCA 2006) Holding: Where a lease requires written consent for assignment or sublease, failure to obtain that consent constitutes breach of the lease.

b) *City of Miami v. Bielecki*, 168 So. 2d 231 (Fla. 3d DCA 1964) Holding: A municipality cannot waive or give away public rights by inaction or oversight. It must exercise its powers in trust for the public good.

c) *Geiger v. Sun First National Bank of Orlando*, 412 So. 2d 566 (Fla. 5th DCA 1982) Holding: Consent must be express when required by contract—mere knowledge of a breach and inaction does not constitute waiver unless there’s proof of intent to waive.

d) Legal principle: Where contract language contains a condition such as “provided that,” courts require strict compliance. (See: *Mountain States Tel. & Tel. Co. v. Kennedy*, 147 So. 2d 577 (Fla. 3d DCA 1962))

e) Supporting Case: *DK Arena, Inc. v. EB Acquisitions I, LLC*, 112 So. 3d 85 (Fla. 2013) Florida courts consistently hold that oral modifications of contracts subject to the Statute of Frauds are unenforceable.

#### Footnote #2

a) Florida Code of Ethics for Public Officers and Employees (F.S. §112.313):Public officers must not act in a way that “would reasonably be expected to impair his or her independence of judgment in the performance of his or her public duties.

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