

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA APPROVING THE (10) TEN-YEAR LEASE RENEWAL BETWEEN KEY WEST PLAYERS, INC. AND THE CITY OF KEY WEST, FLORIDA FOR OCCUPANCY OF THE WATERFRONT PLAYHOUSE LOCATED AT 407 WALL STREET IN MALLORY SQUARE COMMENCING MAY 1, 2026; AUTHORIZING THE CITY MANAGER TO EXECUTE THE LEASE RENEWAL AND ANY NECESSARY RELATED DOCUMENTS AND/OR BUDGET TRANSFERS/ AMENDMENTS; AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, on March 5, 2014, via Resolution No. 14-069, the City of Key West entered into the current (10) ten-year lease agreement with Waterfront Players, Inc., a Florida non-profit organization, to operate a theater playhouse at 407 Wall Street in Mallory Square supporting the City's arts and culture; and

WHEREAS, a First Amendment to Lease was approved by the City Commission on October 10, 2024, via Resolution 24-249, extending the lease term for an additional (12) twelve-month period and again amended on May 6, 2025, via Resolution 25-098, extending the lease through April 2026. These short-term lease extensions allowed the City to complete its structural assessment of the playhouse building and allowed the tenant to seek and receive Tourist Development Council (TDC) funding for building repairs; and

WHEREAS, the structural assessment performed by Keister Web Structural Engineers noted "*In general, the Waterfront Playhouse is in good condition but does need repair*". With the approximately \$270,000.00 received from the TDC, Key West Players, Inc. has made substantial progress making repairs to the metal and flat roofs, building fascia and HVAC and installed new fire doors. The tenant's contractor is in the process of repairing the structural steel beam at the wall opening to the stage, which was identified by and being repaired in the manner prescribed by the structural engineer; and

WHEREAS, the monthly rental of \$500.00 is at a below-market rate that must demonstrate a public benefit and requiring approval by a super-majority vote of the City Commission, pursuant to Section 2-941(c) of the City's Code of Ordinances; otherwise, this Lease Renewal is consistent with Section 2-941(c) of the City's Code of Ordinances; and

WHEREAS, the \$500.00 minimum base rent per month is in addition to the 50% of net revenue generated by use of the theater by third party for-profit uses. Additionally, the tenant will pay for operating costs including all utilities, repairs and maintenance, replacements and renovations necessary to keep the premises in good repair and condition; and

WHEREAS, staff is satisfied and pleased with the progress the tenant has made in repairing and maintaining this historic City building pursuant to their obligations under the current lease agreement and recommends approval and execution of the Lease Renewal; and

WHEREAS, with the City's continuing support, Key West Players, Inc. will continue to provide a valuable public benefit through utilization of the City-owned Waterfront Playhouse building at 407 Wall Street in Mallory Square to provide professional theater productions and support of the Key West art community;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: That the City Commission hereby approves the (10) ten year lease renewal between Key West Players, Inc. and the City of Key West, Florida, attached hereto and made a part of this resolution, for occupancy of the Waterfront Playhouse located at 407 Wall Street, Mallory Square commencing May 1, 2026 .

Section 2: That the City Manager is hereby authorized to execute the (10) ten-year Lease Renewal and any necessary related documents and budget transfers/amendments, upon consent of the City Attorney.

Section 3: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

Authenticated by the Presiding Officer and Clerk of the Commission on the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

Filed with the Clerk on \_\_\_\_\_, 2025.

Mayor Danise Henriquez	_____
Vice Mayor Donald "Donie" Lee	_____
Commissioner Lissette Carey	_____
Commissioner Aaron Castillo	_____
Commissioner Monica Haskell	_____
Commissioner Mary Lou Hoover	_____
Commissioner Sam Kaufman	_____

\_\_\_\_\_  
DANISE HENRIQUEZ, MAYOR

ATTEST:

\_\_\_\_\_  
KERI O'BRIEN, CITY CLERK