



Legislation Text

File #: 191140., **Version:** 1

Extend Hippodrome State Theatre, Inc. Lease Agreement (B)

This is a request to extend the Hippodrome State Theatre, Inc. lease agreement with the City through July 1, 2031 in order to be eligible for State of Florida Division of Cultural Affairs Cultural Facilities Program Funds.

The City of Gainesville has had a lease agreement with the Hippodrome State Theatre, Inc. for the past 39 years. A second 20-year lease was entered into on July 1, 2000, which was to continue until July 1, 2020. On September 9, 2002 the City Commission approved an extension of the lease agreement by 5 years from July 1, 2020 to July 1, 2025. In 2016 Hippodrome staff has requested that the lease be extended in order for them to apply and be eligible for the 2017-18 Florida Division of Cultural Affairs Cultural Facilities Program funds. Application guidelines require that agencies applying for funds have at least a minimum lease of 10 years on the facility for the category of Building Renovations Improvements. To ensure the Hippodrome's eligibility for the 2017-2018 grant cycle, a second amendment extending the lease to July 1, 2027 was approved by the City Commission and entered into on February 10, 2017. In order for the Hippodrome to now be eligible for Fiscal Year 2021-22 grant funding, the current lease needs to again be extended by an additional four years through July 1, 2031. City staff plans to review and revise the July 1, 2000 lease with the Hippodrome State Theatre, Inc. in the upcoming year including the possibility of a one-year rolling extension of the lease in future years to continually allow for the 10-year lease requirement to be in place for future grants.

The City of Gainesville currently grants the Hippodrome State Theatre, Inc. \$250,000 annually for rent payments by waiving the payment requirement for rent as required in the lease. The rent amount has not changed since the initial Lease Agreement between the City and Hippodrome State Theatre, Inc.

The City Commission: 1) approve a four year extension to the lease agreement with the Hippodrome State Theatre, Inc. and 2) authorize the City Manager or his designee to execute the appropriate documents, subject to approval by the City Attorney as to legality and form.