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Title: Approve lease agreement between the City of Fresno and Children's Musical Theaterworks Inc. for use of office and storage space in the Veterans Memorial Auditorium (Council District 3)

Sponsors: Parks, After School, Recreation and Community Serv

Indexes:

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Attachments: 1. CMT LEASE AGREEMENT.pdf

Date	Ver.	Action By	Action	Result
3/22/2018	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

March 22, 2018

FROM: PARVIN J. NELOMS, JR., Director
Parks, After School, Recreation and Community Services Department

BY: DIANE PRINTZ-WHITE, Management Analyst II
Parks, After School, Recreation and Community Services Department

SUBJECT

Approve lease agreement between the City of Fresno and Children's Musical Theaterworks Inc. for use of office and storage space in the Veterans Memorial Auditorium (Council District 3)

RECOMMENDATION

Staff recommends that City Council approve a lease agreement with Children's Musical Theaterworks, Inc. (CMT) for office and storage space within the Veterans Memorial Auditorium building and authorize the PARCS Director to execute the lease agreement. The terms of the agreement is one year that can be extended on a year to year basis for up to two years upon mutual written agreement of the parties

EXECUTIVE SUMMARY

For the past 20 years, CMT has leased space within the Veterans Memorial Auditorium building and have performed their main stage productions in the theater. Recent Facility Assessments of the Veterans Memorial Auditorium have identified

numerous repairs and upgrades needed within the building and theater. While there are some restrictions for the use of the theater and stage, the recommended improvements to the remaining building will not preclude CMT from continued use of office and storage spaces. As such, PARCS is recommending to renew the lease agreement for office and storage spaces for one year with the authority to extend the agreement on a year to year basis not to exceed two additional years.

BACKGROUND

CMT, a California nonprofit corporation, is the Valley's only non-profit theater company dedicated to the training of young performers in musical theater and the arts. Since 1997, CMT has produced over thirty main stage and touring productions which have been seen by over 45,000 Valley audience members. The City of Fresno has supported CMT since its inception by leasing them space in the City-owned Veterans Memorial Auditorium building for offices, meetings, work areas and storage. The Veterans Memorial Auditorium Theater has served as CMT's primary performance venue during these same years.

Under the previous term of the lease agreement, CMT paid the City \$1.00 per year rent for leased space including: a front office and costume work room on the first floor, two storage areas in the basement, and one work/storage space on the third floor. CMT has requested to add a makeup room on the first floor and an additional storage area in the basement to their lease. All requested leased areas are depicted in Exhibit A (see attached).

In addition to paying to the City \$1 per year, CMT will be responsible for direct payment of the cost for telephone and janitorial services within their leased spaces. Staff is recommending renewing the agreement with the added spaces for a one-year term of \$1 per year with the option to renew for up to two years.

Recent Condition Assessments of the Veterans Memorial building and theater have identified an estimated \$3.5 million worth of repairs and upgrades, including \$1 million needed for theater repairs alone. In order to continue to use the theater for their 2018 productions, CMT has agreed to operate within the theater under certain limiting conditions, including minimal use of the rigging system flyrails. If needed repairs are not completed by next year, CMT is aware that they may need to find another performance venue. However, the office and storage spaces would remain available for an up to two-year period as outlined in the lease agreement, which will allow CMT time to pursue other options for office and storage needs.

ENVIRONMENTAL FINDINGS

This approval is not a "project" pursuant to the California Environmental Quality Act Guidelines Section 15387.

LOCAL PREFERENCE

Local Preference is not applicable to this item because this does not include an award of a construction or consultant contract.

FISCAL IMPACT

There is no additional impact to the General Fund as a result of approving this Agreement.

Attachment: Lease Agreement