



## RESOLUTION NO. 39484

1 A RESOLUTION relating to the Broadway Center for the Performing Arts  
2 ("BCPA"); authorizing the execution of a renewal of the Management  
3 Agreement with the BCPA, in the amount of \$4,262,608, budgeted from the  
4 Performing Arts Fund, to operate three performing arts facilities through  
5 December 31, 2020, with authorization for two-year renewal terms.

6 WHEREAS the City owns three performing arts facilities, the Pantages  
7 Theater and adjoining Jones Building, the Rialto Theater, and the Theater on the  
8 Square, and

9 WHEREAS the City has an existing Management Agreement  
10 ("Agreement") with the Broadway Center for the Performing Arts ("BCPA"), a  
11 nonprofit corporation organized for the purpose of the advancement of the arts,  
12 which has managed and operated the venues on the City's behalf for over 30  
13 years, and

14 WHEREAS the current Agreement will expire on June 30, 2016, and

15 WHEREAS, in the 2015-2016 Biennial Budget, during the last two years of  
16 the existing Agreement, the City provided the BCPA with a total of \$1,350,000 in  
17 monthly management fees, and was further responsible for the cost of insurance,  
18 a portion of utilities, support from various City departments, and in-kind rent,  
19 amounting to \$412,608 over the biennium, and

20 WHEREAS, in addition, pursuant to the terms of the Agreement, the City  
21 provided \$500,000 per year, for a total of \$1,000,000 for the 2015-2016 biennium,  
22 to the Theater Capital Repair and Improvement Fund for repairs and  
23 improvements for enhancing public safety, energy efficiency, and operational  
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functions, and an additional \$1,500,000 in capital funding was provided for the Centennial Campaign, pursuant to Resolution No. 39108, and

WHEREAS the parties have agreed to extend the existing Agreement through December 31, 2016, to better align with the City's biennial budget, and further, to extend the Agreement for an additional four-year term, through December 31, 2020, with adjustments made to the management fees, and with the possibility of additional two-year renewal periods; and

WHEREAS, in January 2017, the management fee will increase by \$25,000 per year, or 3.7 percent, and commencing in 2018, the management fee will be adjusted annually per the Consumer Price Index ("CPI") to a maximum of 3 percent, and

WHEREAS the City will continue to fund the Theater Capital Repair and Improvement Fund in the amount of \$500,000 per year, and, additionally, the BCPA will be entitled to receive an annual Performance Incentive Fee of \$30,000, upon achievement of a 5 percent increase in overall revenues over the previous year; Now, Therefore

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the proper officers are hereby authorized to execute the renewal of the Management Agreement with the Broadway Center for the Performing Arts, in the amount of \$4,262,608, budgeted from the Performing Arts Fund, through December 31, 2020, with authorization for two-year renewal terms, for the



1 purpose of operating three City-owned performing arts facilities, said document to  
2 be substantially in the form of the agreement on file in the office of the City Clerk.

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4 Adopted \_\_\_\_\_

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Mayor

7 Attest:

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9 \_\_\_\_\_  
City Clerk

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11 Approved as to form:

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Deputy City Attorney

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