



Staff Report

File #: 23-0199

REQUEST FOR CITY COUNCIL ACTION

DATE: 04/19/2023

TO: Honorable Mayor and City Council Members

FROM: Community Services Department

SUBJECT:

PROFESSIONAL SERVICES AGREEMENT WITH STEINBERG HART FOR PERFORMING ARTS CENTER FEASIBILITY STUDY

EXECUTIVE SUMMARY:

This staff report asks Council to award the Professional Service Agreement from Request for Proposal No. 23-029RH to Steinberg Hart for the Performing Arts Center Feasibility Study. The feasibility study will evaluate the market factors, demographics, stakeholder perspectives, and local demand for a performing arts center in the city. It will also assess the capacity, limitations, and current operations of the Historic Civic Center Theatre.

RECOMMENDED ACTION:

That the City Council:

- a. Award Request for Proposal (RFP) 23-029RH for the Performing Arts Center Feasibility Study to Steinberg Hart.
- b. Approve the Professional Services Agreement with Steinberg Hart, in two parts, for a total not to exceed \$212,200. Phase I - Exploration at \$157,300 and Phase II - Implementation at \$54,900.
- c. Authorize the City Manager, or his designee, to execute a Professional Services Agreement with Steinberg Hart for a term of March 15, 2023, through June 30, 2024, in the amount of \$212,200, including any non-substantive extensions, change orders, purchase orders, and amendments up to the amount authorized by [Corona Municipal Code Section 3.08.070\(I\)](#), which is equivalent to 10% or \$21,220.
- d. Authorize the City Manager, or his designee, to issue a Purchase Order to Steinberg Hart in the amount of \$212,200.

- e. Authorize an appropriation in the amount of \$233,420 to the Community Services' operating budget from the General Fund.

BACKGROUND & HISTORY:

The City owns and operates the Historic Civic Center Theatre (1922). This 5,000 square foot space includes 383 seats, unobstructed views, dressing rooms, backstage areas, and standard audio-visual technology in a uniquely-built Mediterranean Revival structure. Theatre amenities were most recently updated in the 2000's utilizing Community Development Block Grant (CDBG) funds to sustain the facility and purchase audio visual equipment. The facility is currently maintained by the Community Services Department, which provides facility rentals as well as community use with local performing arts groups.

With the considerable growth the City has experienced since the original theatre was built, community performing arts stakeholders have indicated a desire for a larger performing arts center that can attract more touring productions and entertainment offerings. Separate community feedback has expressed a desire for improvements in the technical capabilities of Historic Civic Center Theatre and more intentional operational programming.

An industry standard feasibility study would provide an informed perspective on the development of a new structure, improvements to the Historic Civic Center, and the intentional programming of these facilities. This includes identifying current assets, understanding the market for these services, and determining next steps if a project of this nature is viable for the community.

The Performing Arts Feasibility Study project was first brought before the Committee of the Whole for discussion on June 8, 2022, with support to pursue an RFP for a feasibility study. A draft of the Scope of Work for the proposed RFP was brought before the Committee of the Whole on August 10, 2022, with the recommendation that an award of contract and request for funding be brought before the City Council upon completion of the RFP process

ANALYSIS:

The Performing Arts Center Feasibility Plan is an intentionally objective document that seeks to understand the unique needs of Corona residents, its performing arts groups, the preservation of the existing theatre, and the feasibility of a new performing arts space.

On November 3, 2022, the City issued a Request for Proposals (RFP) 23-029RH - Performing Arts Center Feasibility Study Services. Additionally, the RFP was advertised in the Corona local newspaper, *Sentinel Weekly*. A total of 39 perspective vendors were notified of the RFP opportunity and seven (7) firms submitted proposals for evaluation by the December 15, 2022, deadline.

The evaluation team reviewed the proposals based on the following criteria: (1) Completeness of Response, (2) Qualifications of Firm, (3) Qualifications of Personnel, (4) Work Plan, Project Understanding and Approach, and (5) Value. The results of the scoring process are summarized as follows:

Rank	Company	City/State
1	Steinberg Hart	Los Angeles, CA
2	Johnson Favaro, LLP	Culver City, CA
3	AMS Planning & Research Corp.	Southport, CT
4	C.H. Johnson Consulting, Inc.	Chicago, IL
5	Webb Management Services, Inc.	New York, NY
6	DLR Group	Riverside, CA
7	Victor Gotesman Performing Arts Planning	Los Angeles, CA

Based on the proposal scoring analysis, the Steinberg Hart team possesses the skills and experience necessary to successfully execute the scope of work for the project. With this understanding, staff recommends awarding the contract to Steinberg Hart.

Work to be performed as part of the Feasibility Study will be completed in two phases. Phase I - Exploration will provide the data-driven approach to understanding and forming a recommendation of feasibility. If feasible, Phase II - Implementation will provide next steps toward a Capital Improvement Project. The timeline for this project is anticipated at 5-8 months to complete. The Scope of Work for this project is outlined as follows:

PHASE I: EXPLORATION

A. Data Map and Market Overview - What is the market and how would a new and/or renovated performing arts center fit with comparable venues? What are industry trends and how can the City capitalize on them. Demonstrate understanding of national and local trends and market analysis for municipally owned performing arts centers. This data must be informed by the following:

- 1. Establish Service Area** - Identify all performing arts centers within a 50-mile radius of the City of Corona noting year built, primary operator, function, and capacity. Determine any gaps in service or opportunities for growth.
- 2. Local Assets** - Identify existing and owned auditorium spaces within the City of Corona that could be used through partnership, repurposing, or development. This may include schools, faith-based facilities, retail centers, movie theaters, and/or outdoor spaces. Note year built, primary operator, function, and capacity.
- 3. Demographics** - Include Corona demographics, income, and any market forecast considerations that would help make an informed decision toward feasibility.

4. Market Factors - Determine what the performing arts market looks like nationally. Include key incentives for these types of projects, who these services attract, and what positive impact or attributes would they lend to a community like the City of Corona.

5. Barriers - Determine mitigating factors or threats that would inhibit the growth of the arts whether location, duplication of service, financial stability, traffic, etc.

B. Assessment of Historic Civic Center Theatre - Take a critical look at the City's use of its current facility, whether it has kept up with local demand, comparison to other local theaters, and recommendations for sustainable operations. Engage potential user groups to better understand and meet venue needs and gather relevant data. Who would utilize a facility and what would they like to see?

1. Inventory - Provide a brief analysis and description of the existing Historic Civic Center Theatre noting available space, condition of equipment and furnishings, and features of significant interest.

2. Use Trends - Work with City Staff to understand current scheduling, types of use, frequency of users, application process, and any denied service requests. Staff will generate and report data upon request.

3. Operation Model - Detail how the City currently operates this facility, other types of operator models, and provide a recommendation whether current use should be reconsidered (Ex. City operated dedicated theater division, contract operator, or public/private partnership).

4. Case Study Comparison - Identify a minimum of three (3) comparable projects of similar size to the Historic Civic Center Theatre that have been successful in their respective communities. Acknowledge use trends and recent projects that have been developed in the last ten (10) years. Ideally, one (1) of the three (3) should be post pandemic.

C. Stakeholders - Gather information from community members with expectations for entertainment venues, types of entertainment that they typically leave the City for that could be hosted within the City of Corona if there were an appropriate venue. This data will inform the market analysis, serve as qualitative data, and inform any final recommendations.

1. City Council and Leadership Staff - Meet with and interview City Council, Parks and

Recreation Commission, City Manager, and Department Heads to take into consideration their thoughts and feelings in regard to Performing Arts Center Feasibility.

- 2. Performing Arts Groups** - Meet with local performing groups to determine immediate needs in performing space, whether needs are being met elsewhere, and what they would like to see in a refurbished or new performing arts center.
- 3. Community Developers** - Meet with community business owners and developers to determine desire for a facility and/or any potential leads on developable space.
- 4. Residents** - Conduct an initial pulse survey to determine interest in performing arts, what types of events or services are desired, and popular genres of interest (Ex. music, theater, comedy, dance, film). Determine whether this data matches or plays off any other City plans or survey findings for consistency.

D. Next Steps

1. Answer whether developing an additional performing arts venue within the City and/or renovating the Historic Civic Center Theatre to become the City's premier performing and visual arts center are possible, sustainable, within the best interest of the Corona community, and/or a regional asset.

PHASE II: IMPLEMENTATION

1. If feasibility is supported, determine estimated costs and considerations for the following:
 - a. Site Analysis/Infrastructure Needs** - What are the key considerations for a performing arts center? Evaluate potential locations.
 - b. Finance and Implementation Strategies** - What type of funding is available for performing arts facilities? What strategies would work best to start a performing arts center program/center?
 - c. Operations** - What is the best operational model for this facility? Are there operations and cost impacts that can be forecasted?

Economic Impact/Permanence - How will this structure withstand the test of time as needs change and evolve?

City Council will receive a presentation of the Phase I findings prior to proceeding with Phase II.

COMMITTEE ACTION:

The Performing Arts Feasibility Study project was first brought before the Committee of the Whole for discussion on June 8, 2022, with support to pursue an RFP for a feasibility study. A draft of the Scope of Work for the proposed RFP was brought before the Committee of the Whole on August 10, 2022, with the recommendation that an award of contract and request for funding be brought before the City Council upon completion of the RFP process.

FINANCIAL IMPACT:

The total amount of the contract to be awarded is \$212,200. Corona Municipal Code Section 3.08.07 (I) provides for City Manager approval of up to 10% change order, in the amount of \$21,220. This brings the total potential amount of the project to \$233,420. Staff are requesting an appropriation of \$233,420 (\$212,200 for the contract and \$21,220 for contingencies) from the General Fund. Any unused funds will be returned to the fund balance at the conclusion of the project.

Based upon feedback received at the Committee of the Whole, the Feasibility Study Project has been split into two phases. Phase I will serve as the initial start, fact finding, and provide an initial determination for the City’s consideration. If the viability of a project is supported, Phase II would be the next step toward any major capital improvement projects and explore initial site planning, test fits, draft analysis, and strategies for finance and implementation. These respective phases are defined in the Agreement as follows:

Phase I - Exploration	\$157,300
<u>Phase II - Implementation</u>	<u>\$54,900</u>
TOTAL	\$212,200

Approval of the recommended actions will result in an appropriation of \$233,420 from the General Fund to the Community Services’ operating budget. There is sufficient fund balance for the recommended actions.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061 (b) (3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action simply approves the contract for the Performing Arts Center Feasibility project, and there is no possibility that this action will have a significant effect on the environment. Any future projects that may be developed as a result of this plan will go through the CEQA process individually. Therefore, no environmental analysis is required.

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PREPARED BY: JASON LASS, RECREATION SERVICES MANAGER

REVIEWED BY: ANNE K. TURNER, COMMUNITY SERVICES DIRECTOR

Attachments:

1. Exhibit 1 - Professional Services Agreement with Steinberg Hart