



Legislation Details (With Text)

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Title: City Council consideration of the Termination of the First Amendment to City of Corona - Historic Civic Center Lease Agreement with Off Broadway Corona Theater.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Staff Report, 2. Staff Report with Attachments

Date	Ver.	Action By	Action	Result
3/20/2019	1	City Council	accepted	

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 3/20/2019

TO: Honorable Mayor and City Council Members

FROM: Community Development Department

SUBJECT:

City Council consideration of the Termination of the First Amendment to City of Corona - Historic Civic Center Lease Agreement with Off Broadway Corona Theater.

RECOMMENDED ACTION:

That the City Council:

1. Approve the Termination of the First Amendment to City of Corona - Historic Civic Center Lease Agreement with Off Broadway Corona Theater.
2. Approve an estimated revenue decrease of \$840 in the Historic Civic Center Fund 232 for the remainder of Fiscal Year 2018-19.

ANALYSIS:

Off Broadway Corona Theater (OBC) is a local community theater providing opportunities for actors of all ages to participate in productions with professional actors and directors. On April 4, 2018, the

City Council approved a lease with OBC for office space at the Historic Civic Center (HCC), Suite 170, roughly 231 square feet. On October 18, 2018, the City Council approved the First Amendment to the lease agreement allowing OBC to utilize the HCC Community Room, Suite 120, on a weekly basis to accommodate their larger group activities including acting, vocal and orchestra training and rehearsals.

In accordance with the First Amendment, OBC leased Suite 120 each Tuesday from 5:00 p.m. to 9:00 p.m. for a monthly cost of \$210 effective retroactively to July 2018.

OBC has rapidly outgrown their use of Suite 120, and now wish to terminate the First Amendment. To accommodate their growing needs, they leased additional space off-site which provides them unfettered access for larger group activities, orchestra training, rehearsals, storage space, etc. If approved, the termination agreement becomes effective retroactive to March 1, 2019.

All other terms, obligations and conditions shall remain in effect.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

Approval of this action will result in a loss of revenue of \$210 per month or \$2,520 annually. The revenue decrease for the remaining four months of Fiscal Year 2018-19 is \$840 in the Historic Civic Center Fund 232.

GENERAL FUND	
Budget Workshop May 23, 2018 - Estimated Revenue Over Expenditures	\$6,626,911
Previously approved budget adjustments (net)*	<u>(5,998,980)</u>
Current Estimated Revenue Over Expenditures	627,931
HCC Lease Termination w/ Off Broadway Corona Theater	<u>(840)</u>
Revised Estimated Revenue Over Expenditures	\$627,091
Budget Balancing Measures Reserve - Actual 6/30/18	\$25,182,735
Estimated FY 2018-19 Change in Budget Balancing Measures	<u>627,091</u>
Budget Balancing Measures Reserve - Estimated Balance 06/30/19	\$25,809,826

* Approved through Council Action or other operational process.

ENVIRONMENTAL ANALYSIS:

The execution of this lease agreement is not a project under the California Environmental Quality Act, therefore, an environmental analysis was not required.

PREPARED BY: CYNTHIA LARA, ADMINISTRATIVE SERVICES MANAGER II

REVIEWED BY: JOANNE COLETTA, COMMUNITY DEVELOPMENT DIRECTOR

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MICHELE NISSEN, ACTING CITY MANAGER

Attachment:

1. Exhibit 1 - First Amendment Termination Agreement