



Legislation Details (With Text)

File #: ID 17-0809 **Version:** 1 **Name:**
Type: Resolution **Status:** Passed
File created: 12/19/2017 **In control:** City Council
On agenda: 12/19/2017 **Final action:** 12/19/2017
Title: Resolution Revising the Memorandum of Understanding Between the City of Greensboro and The Community Foundation of Greater Greensboro for the Design, Construction, and Operation of the Steven B. Tanger Center for the Performing Arts

Sponsors:

Indexes:

Code sections:

Attachments: 1. 17-0809 RES Tanger.pdf

Date	Ver.	Action By	Action	Result
12/19/2017	1	City Council	adopt	Pass

Resolution Revising the Memorandum of Understanding Between the City of Greensboro and The Community Foundation of Greater Greensboro for the Design, Construction, and Operation of the Steven B. Tanger Center for the Performing Arts

Department: Coliseum
Council District: All

Public Hearing: n/a
Advertising Date/By: n/a

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PURPOSE:

The City and the Community Foundation of Greater Greensboro (CFGG) desire to revise Sections B.1 and B.2 the Amended Memorandum of Understanding (MOU) for the proposed Steven B. Tanger Center for the Performing Arts (STCPA) to fund the costs of the construction of the STCPA. If approved, the revision will increase the City's financial commitment to \$42.879 million and increase the CFGG's financial commitment to \$41.826 million.

BACKGROUND:

On March 4, 2014 the City approved a MOU between the City and the CFGG to design, finance, develop, construct and manage the operations and programs of the proposed STPAC. CFGG has secured its original \$35 million commitment of funding and financing. On December 8, 2015, the City increased its funding commitment to \$39.6 million and the CFGG increased its commitment to \$38.5 million. The MOU was also amended to include a ticket service fee of not more than four dollars (\$4) per ticket on tickets sold for events at the STPAC. This amendment also allowed the City to annually allocate a minimum of \$120,000 per year from

STPAC annual sponsorship revenue to use as an Arts Stabilization Fund. Over the course of the three (3) years required to complete the phases of Design and Development of Construction Documents for the Tanger Center Project, additional fees, costs, and expenses have been incurred. Additionally, the costs to construct the facility have increased due to the length of time it took to complete the Construction Document. As a result, the MOU needs to be amended to address these additional fees, costs, and expenses for the design and construction of the facility.

BUDGET IMPACT:

The increased funding will be used to help finance the design and construction of Phase 2 of the STPAC and the City's debt service obligations for the project.

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council approve the attached resolution revising Section B.1 and B.2 of the current MOU between the City and the CFGG to design, finance, develop, construct and manage the operations and programs of the STPAC.