



Legislation Text

File #: ID 20-0035, **Version:** 1

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 in the Amount of \$2,995,000

Council Priority: Create an Environment to Promote Economic Development Opportunities and Job Creation

Department: Coliseum
Council District: 3

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 Section B.2 of the Amended Memorandum of Understanding (MOU) for the Steven B. Tanger Center for the Performing Arts (STCPA) with respect to funding the costs of construction of the STCPA. The revision increases the City's financial commitment from \$42.879 million to \$45.874 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 secured its original \$35 million commitment of funding and the City committed \$30 million to STCPA. 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. Additionally that amendment allowed the City to allocate a minimum of \$120,000 per year from STPAC annual sponsorship revenue to an Arts Stabilization Fund. On December 19, 2017 the City increased its funding commitment to \$42.879 million and the CFGG increased its commitment to \$41.826 million. In FY19-20 the City increased its funding for additional construction bid alternates, including pre-function rooms, as well as funding for additional design costs and equipment cost increases, financed by additional private contributions raised by Coliseum management for the project and other project revenue, in the amount of \$2,995,000. As a result, the MOU needs to be amended to address these additional revenues that are funding additional expenses for the design and construction of the facility.

BUDGET IMPACT:

The increased funding of \$2,995,000 is being used to finance completion of the STCPA, increasing the City's funding from \$42.879 million to \$45.874 million. City Council has previously approved an increase in the

project budget of \$2,995,000.

RECOMMENDATION / ACTION REQUESTED:

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