



City of Arts & Innovation

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: DECEMBER 7, 2021**

**FROM: GENERAL SERVICES DEPARTMENT      WARD: 1**

**SUBJECT: ACCEPT REIMBURSEMENT FROM RIVERSIDE ART MUSEUM AND  
AUTHORIZE SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF  
\$2,600,000 FROM RIVERSIDE ART MUSEUM FOR PARTIAL REIMBURSEMENT  
OF RENOVATION COSTS FOR THE CHEECH MARIN CENTER FOR CHICANO  
ART AND CULTURE**

**ISSUE:**

Accept reimbursement from Riverside Art Museum and approve supplemental appropriation in the amount of \$2,600,000 from Riverside Art Museum for partial reimbursement of renovation costs for the Cheech Marin Center for Chicano Art and Culture.

**RECOMMENDATIONS:**

That the City Council:

1. Accept the \$2,600,000 reimbursement from the Riverside Art Museum; and
2. With at least five affirmative votes, authorize a supplemental appropriation in the amount of \$2,600,000 from Riverside Art Museum to the City and record and increase in revenue and appropriate expenditures in the amount \$2,600,000 in the Cheech Marin Center Fund, Cheech Marin Center Project accounts.

**BACKGROUND:**

On May 16, 2017, the City Council approved a Memorandum of Understanding (MOU) between the City of Riverside (City), Richard “Cheech” Marin, and the Riverside Art Museum (RAM) to complete a feasibility analysis of the existing Main Library building located at 3581 Mission Inn Avenue to repurpose the facility into the Cheech Marin Center for Chicano Art and Culture (Cheech Art Center).

On October 24, 2017, the City Council approved a Professional Consultant Services Agreement with Page & Turnbull for Phase 1 architectural and art center conceptual design services for the Cheech Art Center.

On March 13, 2018, the City Council approved conceptual designs for the Cheech Art Center with a preliminary rough cost estimate in the amount of \$10 million, and adopted a resolution authorizing the City manager to submit a grant application to the California Natural Resources Agency in the amount of \$1.0 million to renovate the Main Library into the Cheech Art Center. At this meeting, staff also presented a report to City Council on the fundraising efforts completed by the Parties in raising the initial goal of \$3.0 million established in the first MOU between the City, Ram, and Cheech Marin.

On October 16, 2018, the City Council adopted a second resolution authorizing the City Manager to submit a grant application for a second grant from the California Natural Resources Agency in the amount of \$9.7 million, for a total State grant award of \$10.7 million towards the renovation project. At this same meeting, City Council also authorized staff to move forward with design phase 2 to bid the renovation project. Construction plans for the Cheech Art Center were completed in May 2020.

On June 15, 2020, the City Finance Department/Purchasing Division posted Bid No. 7764 seeking bids from potential contractors for renovating the existing Main Library into the Cheech Art Center, with a bid due date of July 27, 2020. Hamel Contracting, Inc., from Murrieta, California (Hamel) was the lowest bidder with a bid of \$9,729,411.

On January 19, 2021, the City Council approved a Management Agreement for the Cheech Art Center with RAM for an initial 25-year term, with two optional five-year terms and authorized the City Manager to execute the agreement. At the same meeting, the City Council awarded Bid No. 7764 to Hamel Contracting for \$9,729,411 with a 10% contingency of \$972,941 for a total contract amount of \$10,702,352 to renovate the Main Library into the Cheech Art Center.

On April 27, 2021, the City Council approved a Renovation Contribution Agreement between the City of Riverside and RAM for the Cheech Art Center in the amount of \$2,600,000.

**DISCUSSION:**

Construction on the Cheech Art Center began on March 22, 2021 and is scheduled for substantial completion in January 2022, allowing RAM to open the new art center in the second quarter of 2022.

In accordance with the Renovation Contribution Agreement between the City of Riverside and RAM, the City will receive \$2,600,000 from RAM’s private fundraising efforts to partially offset renovation costs, as follows:

Item	RAM Reimbursement	Project Budget
Architecture Fees	\$329,215	\$1,306,885
Deputy Inspection Services, Utility Fees and Permits	\$181,408	\$200,000
Construction Costs	\$ 25,673	\$9,729,411
Furniture, Fixtures & Equipment	\$1,090,763	\$1,090,763
Contingency Fees – 10%	\$972,941	\$972,941
<b>RAM Contribution:</b>	<b>\$ 2,600,000</b>	

**STRATEGIC PLAN ALIGNMENT:**

Renovation of the existing Main Library into the Cheech Art Center supports Strategic Priority No. 1 *Arts, Culture and Recreation* and Goal 1.1 - to strengthen Riverside’s portfolio of arts, culture, recreation, senior and lifelong learning programs and amenities through expanded community partnerships, shared use opportunities, and fund development.

This item aligns with *EACH of the five Cross-Cutting Threads* as follows:

1. **Community Trust** – The Cheech Art Center project underwent a significant public outreach campaign, which included numerous public meetings and extensive collaboration with key stakeholders to receive public input and build community trust.
2. **Equity** – The Cheech Art Center will be accessible to all and bring attention to the artistic achievements of the underrepresented Chicano community.
3. **Fiscal Responsibility** – The City demonstrates a commitment to fiscal responsibility with the use of grant funds and private donations for all renovation costs for the Cheech Art Center.
4. **Innovation** – The Cheech Art Center will serve as the premiere venue showcasing Chicano art in the state and beyond.
5. **Sustainability & Resiliency** – Adaptive reuse of the existing Main Library for the Cheech Art Center is a form of sustainable urban regeneration, as it extends a buildings life, avoids demolition waste and provides significant social and economic benefits to the City.

**FISCAL IMPACT:**

The total fiscal impact of this action is \$2,600,000. Upon Council approval, an increase in revenue and an appropriation in the amount of \$2,600,000 will be recorded in the Cheech Marin Fund, Cheech Marin Center for Chicano Art Project revenue account number 9901630-339000 and expenditure account 9901630-440309.

Prepared by: Carl Carey, General Services Director  
Certified as to  
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Approved by: Kris Martinez, Interim Assistant City Manager  
Approved as to form: Phaedra A. Norton, City Attorney