



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: APRIL 24, 2018**

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT **WARDS: ALL**

SUBJECT: FIRST AMENDMENT TO PROFESSIONAL CONSULTANT SERVICES AGREEMENT WITH PLANTATION PRODUCTIONS, INC., OF RIVERSIDE, CALIFORNIA, TO PROVIDE LOGISTICAL AND TECHNICAL SUPPORT FOR THE BOX AND THE SHOWCASE AT THE FOX ENTERTAINMENT PLAZA, TO EXTEND THE AGREEMENT TO JUNE 30, 2020 AND INCREASE THE TOTAL AMOUNT NOT TO EXCEED AMOUNT FROM \$185,000 TO \$370,000

ISSUE:

Approve the First Amendment to Professional Consultant Services Agreement to provide logistical and technical support for The Box and The Showcase with Plantation Productions, Inc., of Riverside, California, to extend the term to June 30, 2020, and to increase the existing not to exceed amount from \$185,000 to \$370,000.

RECOMMENDATIONS:

That the City Council:

1. Approve the First Amendment to Professional Consultant Services Agreement with Plantation Productions, Inc. for logistical and technical support for The Box and The Showcase, to extend the term to June 30, 2020, and increase the existing not to exceed amount from \$185,000 to \$370,000; and
2. Authorize the City Manager, or his designee, to execute the First Amendment to Professional Consultant Services Agreement with Plantation Productions, Inc. including making minor and non-substantive changes.

BACKGROUND:

The Box opened in May 2013 and is a state-of-the-art facility with a mix of traditional and LED lighting, and an approximately 200-seat theater with the flexibility to re-configure the seating. The theater has welcomed youth and adult community and professional theater, tribute bands, opera, concerts, and has been used for meeting space and conferences. Shows have ranged from one day move-in/move-outs to three week performances. The Showcase contains approximately 9,000 square feet of flexible space that has been used for trainings, receptions, meetings, and various events.

The City uses contracted professional services to meet the logistical and technical needs of event organizers using The Box and The Showcase at the Fox Entertainment Plaza. The services are scheduled with and included as part of the rental fee for organizations using The Box and The Showcase. The costs are passed through from the event fee to the contracted provider.

On February 22, 2016, RFP No. 1591 was issued for logistical and technical support services for The Box and Showcase. Only one proposal, Plantation Productions, Inc. was received by the February 29, 2016 deadline. On April 12, 2016, City Council approved the Professional Services Agreement with Plantation Productions, Inc. for the services. The agreement included a two-year term with an option to renew for one two-year extension. The agreement is effective until April 30, 2018. The existing agreement was for an amount not to exceed \$185,000. This amount was based on an estimate of potential use of the facilities for two years at an average monthly cost of \$7,000-\$8,000 per month.

DISCUSSION:

Plantation Productions, Inc. has been providing logistical and technical support services for The Box and The Showcase at the Fox Entertainment Plaza since December 2014. Prior to the effective agreement, the first agreement with Plantation Productions, Inc. was effective from December 16, 2014 to March 31, 2016.

The Box and Showcase average monthly cost is approximately \$8,000 from event users. Approximately 3-4 events are held per month at both The Box and Showcase, but varies from month to month. The facility rental rates include non-profit and commercial user rates. The non-profit rate is significantly lower than the commercial rate. The single day use rate for The Box is \$800 - \$1300 depending on the type of user, plus additional staff hours if requested. The single day use for The Showcase is \$500-\$3,500 depending on the type of user and day of the week. Events vary from one-day events to multi-day events. Potential future use of The Box and Showcase limits how far in advance and the number of events that may be reserved each month, and marketing efforts for use of the facilities. If the future use of The Box and Showcase remains the same, marketing efforts for both facilities will resume and use will increase at both facilities requiring logistical and technical support services.

The First Amendment to the Professional Consultant Services Agreement is for a two-year term for an additional not to exceed amount of \$185,000 which would expire on April 30, 2020. However, should the use of the facilities change such as a lease agreement with a new operator, then Plantation Productions may no longer be necessary since the new operator(s) would be responsible for logistics and technical operations of The Box and/or The Showcase. Termination of Plantation Productions would not result in a net cost savings to the General Fund since the facility rental rates charged for use of the facilities are used to pay Plantation Productions, which offset each other.

Currently, the City is evaluating responses to a Request for Qualifications (RFQ) for The Box. Staff's recommendation on use of The Box as a comedy club will be presented to the Development Committee on April 19, 2018. The City, by notifying Plantation Productions in writing, has the right to terminate services and work covered by this Agreement at any time. As such, this proposed extension will not impact the future development of The Box or The Showcase.

FISCAL IMPACT:

There is no impact to the General Fund associated with this action. The event organizers pay the City for the rental fee which includes the full cost for external logistical and technical support services. The revenue collected for the activities offsets the expense accounts. The Box Account Number 5310300-421000 and Showcase Account Number 5310400-421000 pays the service invoices. There are sufficient funds for the remainder of Fiscal Year 2017-2018 to cover service for events through June 30, 2018. Funds in the amount of \$185,000 to cover Fiscal Years 2018-2020 will be appropriated through the City's upcoming two-year budget process through the Community & Economic Development Department.

Due to utility and janitorial costs not being covered through the current fee structure, The Box operates at an annual shortfall of \$30,000 to \$65,000 annually. Staff anticipates that future development of The Box as a comedy club will eliminate this shortfall.

Prepared by: Rafael Guzman, Community & Economic Development Director
Certified as to
availability of funds: Adam Raymond, Chief Financial Officer/Treasurer
Approved by: Al Zelinka, FAICP, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachment: First Amendment to Professional Services Agreement with Plantation Productions, Inc.