

### **FISCAL NOTE FOR NON-CAPITAL PROJECTS**

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#### **Legislation Title:**

AN ORDINANCE relating to the Seattle Center Department; authorizing execution of an agreement with Theatre Puget Sound to manage and operate space in the Seattle Center Armory for use by non-profit arts organizations and individual artists.

#### **Summary of the Legislation:**

This legislation authorizes execution of an agreement with Theatre Puget Sound (TPS) for TPS to operate and manage rehearsal and theatre spaces in the Seattle Center Armory (formerly known as the Center House) for use by non-profit arts organizations and individual artists. This agreement provides for the continuation of a program and relationship with TPS that has existed since 1999. Under this agreement, TPS manages and rents the spaces to non-profit arts organizations and individual artists. As in the previous agreements, rent revenue is split 50/50 between Seattle Center and TPS. Rents are set at below market rates to make these facilities accessible and available to the local, non-profit arts community. This program has been very successful, and the spaces are heavily used. See below for a table showing rental revenue for the last five years. Seattle Center provides heat, electricity, waste removal and limited cleaning. TPS is responsible for all other services. TPS manages all the bookings and collects the rent. A portion of the rental fees for the two theatre spaces go into a fund for the maintenance or replacement of theatre equipment and the associated labor. This agreement also establishes a fee of \$0.50 for every ticket sold for Seattle Shakespeare Company and Book-It Repertory Theatre performances, with the proceeds also going into a separate maintenance fund for maintenance projects that are approved by the Center Theatre Operating Board. This fee is expected to generate \$4,500 annually in revenue for maintenance projects. Seattle Center retains use of certain rehearsal and theatre spaces for the Bumbershoot and Folklife festivals, and for a specified number of additional dates. The term of this agreement is five years, from 2014 through 2018.

The form of this agreement is a licensee agreement. This reflects the fact that TPS is managing a program for Seattle Center but TPS will not be the only agency using the space it manages, which would be typical in a lease arrangement. Seattle Center retains control of the space managed by TPS and also approves the rental fees and the eligible users of the space (non-profit arts organizations and individual artists). Since the previous agreement ended at the end of 2013, TPS has been operating on a month-to-month basis, pending execution of the new agreement.

### TPS Rental Revenue 2009 – 2013

<b>Year</b>	<b>Total Revenue</b>	<b>Seattle Center</b>	<b>TPS</b>
2009	\$147,186	\$73,593	\$73,593
2010	\$144,806	\$72,403	\$72,403
2011	\$152,226	\$76,113	\$76,113
2012	\$180,516	\$90,258	\$90,258
2013	\$220,132	\$110,066	\$110,066

#### **Background:**

In 1998, the Seattle Symphony moved from their office spaces on the fourth floor of the Armory to Benaroya Hall. In response to a growing trend of smaller arts groups losing their homes and rehearsal spaces due to rising real estate costs, Seattle Center and TPS formed a partnership to use the former Symphony spaces as rehearsal spaces for non-profit arts organizations and individual artists.

In 1999, Seattle Center rented office space on the fourth floor of the Armory to TPS for one year. The space consisted of six separate office/classroom spaces and a smaller administrative office. TPS made these spaces available to local arts organizations and artists for a very nominal hourly fee for rehearsals and classes. Response from the arts community was overwhelming.

In 2000, the City Council authorized a four-year agreement with TPS, through the end of 2003 (Ordinance 120027). Also in 2000, with a combination of CIP and King County grant funds, Seattle Center created a small (80 seat) black box theatre in one of the fourth floor rooms operated by TPS, adding a performance space to the rehearsal spaces already in use. In 2001, Seattle Center's agreement with TPS was amended to include the Center Theatre and related spaces on the first floor of the Armory (Ordinance 120252). In 2004, the City Council authorized another four-year agreement with TPS, through the end of 2008 (Ordinance 121581). In 2009, the City Council authorized a five-year agreement with TPS, which ended at the end of 2013 (Ordinance 123123).

The theatre and rehearsal spaces managed and rented by TPS are in heavy demand. In 2013, over 500 arts organizations and individual artists used these spaces (see list attached as Attachment 1).

TPS is a non-profit trade and service organization founded in 1997 to promote the cultural and economic necessity of theatre to the public, and to unify and strengthen the theatre community through programs, resources, and services. TPS is a member-driven organization and its main goals are nurturing a healthy and vibrant theatre community, developing strong ties among the region's theatre professionals, raising the visibility of the region's theatre scene on national and international levels, and finding ways to develop new and diverse audiences.

Please check one of the following:

☐ This legislation does not have any financial implications.

☒ This legislation has financial implications.

**Appropriations:**

Appropriations Notes:

This legislation does not authorize an appropriation.

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**

<b>Fund Name and Number</b>	<b>Department</b>	<b>Revenue Source</b>	<b>2014 Revenue</b>	<b>2015 Revenue</b>
			\$100,000	\$100,000
<b>TOTAL</b>			<b>\$100,000</b>	<b>\$100,000</b>

Revenue/Reimbursement Notes:

TPS and Seattle Center share 50/50 rental fees from spaces in the Seattle Center Armory managed by TPS.

Position Notes:

This legislation does not create or abrogate positions.

**Do positions sunset in the future?**

Not applicable.

**Spending/Cash Flow:**

Spending/Cash Flow Notes:

Not applicable.

**Other Implications:**

a) **Does the legislation have indirect financial implications, or long-term implications?**

No.

b) **What is the financial cost of not implementing the legislation?**

If the legislation is not implemented, Seattle Center's fifteen-year relationship with TPS will end. Seattle Center would then be faced with either securing other uses for the spaces in the Armory that are currently managed by TPS or forgoing the revenue generated by those facilities. Additionally, if TPS does not continue to manage its

current spaces in the Armory, local non-profit art organizations would lose access to affordable rehearsal and performance spaces.

**c) Does this legislation affect any departments besides the originating department?**

No.

**d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?**

New rehearsal and performance spaces for non-profit arts organizations would need to be made available at an alternative location for below market rental rates.

**e) Is a public hearing required for this legislation?**

No.

**f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No.

**g) Does this legislation affect a piece of property?**

Yes. The theater and rehearsal spaces to be licensed (the “Premises”) are located on the first and fourth floors of the Seattle Center Armory. A map depicting the floor plan of the Premises is included as Exhibit A to the License Agreement.

**h) Other Issues:**

Attachment 1 to this fiscal note is a list of the non-profit arts organizations and individual artists who used the TPS-managed rehearsal and theatre spaces in 2013.

## Attachment 1

### 2013 Theatre Puget Sound (TPS) Client List

127 <sup>th</sup> St. Dance Studio	Chop Socky Boom Films, LLC
5 <sup>th</sup> Avenue Theatre	Cinematic Theatre Company
AAlgar productions	City of Tacoma
Abundant Productions	Complete Casting
Academy of Burlesque	Contagious
Aces & Anchors Productions	Copious Love Productions
Act With Inspiration	Corvus Eye Productions
Actorswork	Couer DAlene Summer Theatre
Aderyn Productions	Courtesy Bears
Albert Ratcliffe Players	Crikey Films
Amey Rene' Casting	CTPAK
AMFlamenco Dance Company	Curio Cabaret
ANAR	Dare to Dance
Andrew T. Miller Music Studios	DavisArts
Annex Theatre	Defined by Media Ventures
AppleLindy	Digital Crew Network
Aquarian Tabernacle Church	Dipity Dread Productions
Ara'Kus Productions	Disney Entertainment Productions
Artic Productions	Drop the Root Beer and Run
Arouet	Dry Bones Collective
Arts Fund	Ear to the Ground
Arts on the Waterfront	Eastside Stamp
ArtsWest	Eclectic Cloggers
As You Like It Acting	Ecstatic Singing Seattle
Azeotrope	EffectiveArts
Bailadores De Bronce	Emerald City Cloggers
Balagan Theatre	EnJoy Productions
Bare Bones Productions	eSe Teatro
Bash Theatre	EventWise
Being Humans Improv	F22 Studioworks
Best Medicine Theatre	Fantastic Z Productions
Beta Society	Film Seattle
Big Booty Improv	Final Fantasy: The Improvised Adventures
Big Flood Productions	Flamenco Arts Northwest
Blank Stage Theatre	Flashdance National Tour
Blood Ensemble	Fleurs DEgypte Dance Company
Bold Print Theatre	Flying House Prod.: SMC/SWC
Book-It Repertory Theatre	Foreground Background
Breaking the Silence	ForeignAmerican Pictures
Bridges Stage Company	Freehold Studio/Theatre Lab
Burien Little Theatre	Full Circle Winter Guard
Burlesque 101	Ghost Light Theatricals
C. Stanley Photography	Green Peg Pictures
Café Nordo	GreenStage
The Center School	Handwritten Productions
Centerstage Theatre	Hard Love Productions
Chandelier Productions	Harlequin Productions
Cheep Art	Harley Rudinoff Productions
Hello Earth Productions	Performers' Forge
Hostile Work Environment	Pixie Vision Photography
Hungarian American Association of WA	Planet Suzanna

## Attachment 1

### 2013 Theatre Puget Sound (TPS) Client List

Illuminatio	Playwrights Theatre
Interplayers Theatre Spokane	Pony World Theatre
Interrobang Improv	Pork Filled Players
Intiman Theatre	Printers Devil Theatre
Inverse Opera	Puppet This
Irrational Robot Bureau	Purple Devil Productions
Jack & Wood Productions	Queer Tango Festival
Jay Richmond Photography	quiet
Jeremy Rich Casting/Stuart Thompson	Radial Theater Project
Jo Jo Stiletto Events	Rain Country Dance Association
Johnny Bravo Dance Co.	Rainier Rhythm
Kitsap Forest Theater (Mountaineers Players)	Rat City Roller Girls
KTO Productions	Red Eagle Native Youth Theatre
Last Leaf Productions	Red Eye Rep
Le Theatre Francais de Seattle	Redwood Theatre
Leadership Tomorrow	Regime Performers
Lights On! Productions	Respots
Little Red Studio	Riveting Rosies
Live Girls!	Rock Paper Theater
Local Jewell Productions	Rocket to Antares LLC
Luminous Content	Rocketmen, LLC
LungFish Productions	Rogue Theatrics
Macha Monkey Productions	Rosebud CTC
MAP Theatre	Safeword
Mark Brennen Photography	SAGA: Top Young STUN GUNS Ablazin
Mercy Entertainment	Sandbox Artists Collective
Message Glue	Satori Group
Midnight Menagerie Productions	Savoy Swing Club
Mighty Tripod Productions	SeaTown Sound
Mirror Stage	Seattle Childrens Theatre
Mirum Mirum Productions	Seattle Clown Jam
Misty City Morris	Seattle Drama Therapy
Montana Repertory	Seattle Experimental Theatre
Mount Baker Theatre	Seattle Fringe Festival
MPOWER MANAGEMENT INTL.	Seattle Musical Theatre (CLO)
MTZG (Little Theatre Abroad)	Seattle Opera (Edu)
Murder Mystery Company	Seattle Playwrights' Collective
New Amerikan Theatre	Seattle Public Theater
Nonesuch English Country Dancers	Seattle Shakespeare Company
Northwest by Night	SecondStory Repertory
One Night Stand	Shakespeare NorthWest
Open Door Theatre	Showtunes! Theatre Company
Otherwise Games	Simon Max Hill Casting
Outsiders Inn	Sinner Saint Burlesque
Page to Stage Entertainment	Sister Kate
Penny University	SketchFest
Slieveloughane Irish Dancers	Theater Schmeater
Smooches and Science Presents	theater simple
Snoqualmie Falls Forest Theater	Theatre of Self Doubt
Sound & Fury Morris & Sword	Theatre22
Sound Theatre Company	Theatre Machine
Sovereign Citizens Productions	Tinfoil/Cardboard Productions

## Attachment 1

### 2013 Theatre Puget Sound (TPS) Client List

Spinergy Arts	Tongueinchi Productions
Splinter Dance/ajusticenetwork	Troupe Comique
SPLOT	Troupe Hipnotica
STAGERight	Troupe InternATSional
Stone Soup Theatre	Turbo Turkey Sketch Comedy
Stopped Motion Photography	Turns Out Films
Structural Engineers Foundation of Washington	Unexpected Productions
Studio4Seattle	Unnatural Redhead Productions
SYMI Productions Inc.	Uptown Lowdown
Talk it Up Productions	Ursa Major
Tempting Tarts Burlesque	Valley Center Stage
Thalia's Umbrella	Variety Plus
The Beatitudes	Village Theatre
The Casting Workshops	Villains
The CCC	Vocal Artistry
The Collision Project	Vox Fabuli Puppets
The Dragonfly Drummer	Waiting for Jenkins
The Edge Improv	Waldorf School
The Grabtown Grapple	Wandering Goat Pictures
The Improvinati	WARP (Writers and Actors Reading and Performing)
The Irish Heritage Players	Washington Defender Association
The Libertinis	Washington Ensemble Theatre
The Phoenix and The Frog	Wing-It Productions
The Schoolyard	Woman Seeking...theatre West
The West	Yojimbo Studios
Theater 33	Young Americans' Theatre Company

**Plus 264 Individual Artists**