



CITY OF CONCORD

REPORT TO MAYOR AND THE CITY COUNCIL

FROM: Brian G. LeBrun, Deputy City Manager - Finance

DATE: April 21, 2015

SUBJECT: Auditorium Agreement and Recommendation

Recommendation

Accept this report and approve an increase in the auditorium regular show fee by \$10 for Performance and Full Venue rates for the Fiscal Year 2016 season (see revised schedule attached) and approve an extension of the Auditorium Management Agreement to 2020.

Background

On March 31, 2015, Chip Chesley and Jay Burgess, representing the General Services Department; David Gill and Terri Stevenson, representing the Parks and Recreation Department, and I met with Friends of the Auditorium Vice President Cindy Flanagan, Treasurer Merwyn Bagan, and Marketing Chair Carol Bagan.

The purpose of the meeting was the annual review of contract compliance on the part of the two parties, a review of the fiscal operations of the Concord Auditorium, and discussion of the programs and upgrades by the Friends of the Audi. Section 5.A.3. of the contract provides for an annual meeting to be held in January to discuss contract items.

Financial Activity

David Gill presented a spreadsheet for the revenue and expenses incurred by the Auditorium for the past year and projections for Fiscal 2015. These were presented on an operating and capital budget basis, along with the cash value of products and services provided by the Friends. A comprehensive review indicates that, on a budgetary basis in 2015, the City Auditorium is projecting a deficit of \$7,292.64. However, the Friends have contributed a total of \$106,245.83 through in-kind labor and donations, primarily related to their "pitch in" process and the LED lighting Upgrade Project as documented in the attached report, which brings the final position to a positive \$98,953.19 for Fiscal Year 2015.

General Services provided assistance to the Audi for a variety of projects throughout the year. The major capital project in 2015 is the LED lighting program, for \$92,344.38 to date and plus an additional \$1,674.30 for WiFi System, Pitch In expenses and supplies, Lobby door curtains, equipment security locks.

Additional ongoing and future Projects: Friends of the Audi are currently upgrading the Bose Sound System, and refurbishing of theatre seats.

Marketing

The Promotion Committee of six volunteers continues to bring new promotional opportunities to the Audi, including updating the Audi website, two new Facebook pages, a Box Office Infoline and Billboards, Maintain extensive mailing and e-mailing lists, Sponsorship of a weekly CCTV show titled “What’s Happening at the Audi”; programs conducted for Leadership Greater Concord and Osher Lifetime Learning Institute of Granite State College and Concord 250; participation in Chamber of Commerce programs; development of Art Concord gallery space in the lobby and hosting of shows; decoration of theatre for holiday performances; cooperative bulk mailings and promotions on behalf of presenters, and recruitment of new presenters.

Rate Increases

The Friends and the City discussed a rate increase for the FY 2015 season. Considering the capital project to repair the seats and the fact that many of the current renters are also the same groups that will be targeted for donations, it was the recommendation of the Friends to maintain to increase the show Performance and full venue rates by \$10, revised fee schedule attached. The City Administration concurs with the recommendation.

Contract Extension

The group discussed the recommendation to extend the contract until 2020. This will continue to provide for a typical five-year contract, which allows the Friends of the Audi to be in a position to apply for a variety of Arts related grants. The term of the agreement under section 5.B., which provides for termination at any time by a mutual agreement of either party with a 6 month notice or 60 days for violation of any term of the agreement, will remain in effect. The City Administration feels there is no adverse condition being placed on either party in granting this request.

Thanks

Appreciation goes to the Friends for their efforts and those of Jeff Hoadley, Jay Burgess, David Gill and Terri Stevenson for successfully managing this relationship on behalf of the City.

cc: Thomas J. Aspell, Jr.
Janice Bonenfant
Chip Chesley
David Gill
Merwyn & Carol Bagan