



# Agenda Item

## City Council

---

**Item #:** 7.4.

1/12/2021

**File #:** 21-0007

---

**TO:** Honorable Mayor and Members of the City Council

**FROM:** Rick Otto, City Manager

### **1. SUBJECT**

Agreement and Memorandum of Understanding with the Greater Orange Community Arts Theatre Foundation in support of raising funds for a proposed performing arts venue.

### **2. SUMMARY**

The Great Orange Community Arts Theatre Foundation (GOCAT) was established to raise funds, build, and operate a performing arts venue in the City of Orange. The proposed Agreement and Memorandum of Understanding supports their effort to raise funds to build the venue at Grijalva Park.

### **3. RECOMMENDED ACTION**

Approve the Naming Rights Agreement and Memorandum of Understanding with the Greater Orange Community Arts Theatre Foundation and authorize the Mayor and City Clerk to execute on behalf of the City.

### **4. FISCAL IMPACT**

None.

### **5. STRATEGIC PLAN GOALS**

Goal 3: Enhance and promote quality of life in the community

a: Renovate, maintain, develop, and/or expand public use places and spaces.

### **6. DISCUSSION AND BACKGROUND**

The Great Orange Community Arts Theatre Foundation (GOCAT), a 501(c)(3) non-profit, was established to raise funds, build, and operate a 50,000 sq. ft. performing arts venue in the City of Orange (City). Approximately two years ago, GOCAT approached the City with an interest to build the venue at Grijalva Park. As a performing arts venue is consistent with the Grijalva Park Master Plan, the City Council conceptually agreed to make space for the venue available at the park should GOCAT be successful in raising the necessary funds to build the project.

To date, GOCAT has raised approximately \$500,000. In the past year, they have hired a professional fundraiser and grant writer to pursue large-scale donations from the community and beyond. GOCAT has also hired an architectural firm, Bastien and Associates, to create a conceptual floor plan and conceptual drawings in an effort to better understand potential costs and have promotional materials to share with potential donors.

Recently, GOCAT approached the City with the request to formalize the conceptual agreement. The

proposed Memorandum of Understanding (MOU) provides GOCAT with the opportunity to raise funds with the intent to develop a performing arts venue at Grijalva Park. The MOU is for a period of five years and does not obligate the City operationally or financially.

Also proposed is an Agreement for Naming Rights (Agreement) that establishes guidelines for GOCAT to accept donations that are intended for naming rights opportunities at the performing arts venue. The Agreement specifies that GOCAT may offer to name specified facilities, rooms, buildings, benches, spaces, stages, seats, bricks, curtains, or other architectural or theater features in and around the proposed facility. The Agreement also specifies the process for which the City considers and approves individual naming opportunities. The approval process includes a morality clause for prospective and approved donors. The Agreement is similar to agreements the City previously entered into with the Orange Community Foundation and the Orange Public Library Foundation when they were raising funds for the Grijalva Sports Center and Orange Main Library and History Center, respectively.

Should GOCAT be successful in raising the necessary funds to build the facility, a separate partnership agreement will be negotiated.

## **7. ATTACHMENTS**

- Agreement for Naming Rights Related to Fundraising Efforts by the Greater Orange Community Arts Theatre Foundation
- Memorandum of Understanding Between the City of Orange and the Greater Orange Community Arts Theatre Foundation