

**REPORT OF THE
CHIEF LEGISLATIVE ANALYST**

DATE: August 11, 2010

TO: Honorable Members of the Arts, Parks, Health and Aging Committee

FROM: Gerry F. Miller ^{KEY}
Chief Legislative Analyst

Assignment No.: 10-08-0790
Council File No.: 10-0773

Department of Cultural Affairs Request for Proposals for Cultural Art Facilities

SUMMARY

On June 30, 2010, Council approved the Motion (Hahn - LaBonge; Attachment A) instructing the City Administrative Officer (CAO) and Department of Cultural Affairs (DCA) to form a working group comprised of any relevant departments to draft a Request for Proposals (RFP) to transition 14 City-controlled cultural art facilities to public-private partnerships, while considering the proposed non-profit leasing policy. In addition, DCA and the CAO were instructed to report to the Arts, Parks, Health and Aging (APHA) Committee relative to: (1) the status on the development of the RFP and current existing partnerships within 30 days; and (2) the Draft RFP within 120 days.

The working group, comprised of the CAO, DCA, Chief Legislative Analyst, City Attorney, Department of Recreation and Parks, and representatives from Council offices, has met on two occasions to discuss the contents and requirements in the proposed RFP. Various topics were discussed including, but not limited to: RFP vs. RFQ (Request for Qualifications) process, Citywide non-profit lease policy and/or DCA-specific policy; Cost Recovery Options (Utilities, Custodial, Security, and Building Maintenance), and City use of facilities. The working group suggested that the costs of utilities, custodial, security and some building maintenance should be passed through to the selected contractor while keeping the lease at a minimum amount (Attachment B: DCA Facility Costs). A Citywide non-profit leasing policy is in the process of review and approval by the Council. It has been suggested that a DCA policy specific to the RFP be considered in this instance. Such a policy would also be subject to Council review. DCA was to incorporate suggestions from the working group into the Draft RFP to present to APHA Committee for further review.

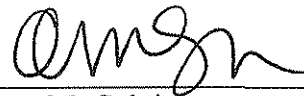
Pursuant to the Motion (Hahn - LaBonge), the Draft RFP should be released by November 2010. In order to provide input in the early stages of the drafting of the RFP, DCA should be instructed to report to APHA Committee on: (1) the status of the development of the RFP; and (2) current existing partnerships that DCA can build upon in the transition of the facilities to public-private partnerships.

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OFFICE OF THE CHIEF LEGISLATIVE ANALYST
CITY OF CHICAGO

RECOMMENDATION

That the City Council instruct the Department of Cultural Affairs and the City Administrative Officer to report to the Arts, Parks, Health and Aging Committee at its next scheduled meeting on: (1) the status of the development of the RFP; and (2) current existing partnerships that DCA can build upon in the transition of the facilities to public-private partnerships.



Andrea M. Galvin
Analyst

GFM:KEK:IS:amg

Attachments: A) Motion (Hahn - LaBonge)
B) DCA Facility Costs

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10-0773
Refer to CF 09-0600-5195

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ATTACHMENT A

MOTION ARTS, PARKS, HEALTH & AGING

The Department of Cultural Affairs is currently in the process of preparing a Request for Proposal (RFP) for several facilities, including the Barnsdall Gallery and Warner Grand Theater. As described in the proposed 2010-2011 Budget, these and other City-controlled cultural arts facilities will transition to public-private-partnerships. A variety of challenges have slowed this process, including the drafting of the RFP and the possible adoption of a new non-profit lease policy. These issues have delayed the release of the RFP, and risk impacting the City's plan for fiscal sustainability. In light of these concerns, a working group should be established to ensure that the RFP can be drafted and distributed in a timely manner.

I THEREFORE MOVE that the City Administrative Officer and the Department of Cultural Affairs form a working group comprised of the appropriate departments for the purpose of drafting the necessary RFP to transition 14 City-controlled cultural art facilities to public-private-partnerships, while considering the proposed non-profit lease policy; and report to the Arts Parks Health & Aging Committee within 30 days.

PRESENTED BY: 
JANICE HAHN
Councilmember, 15th District

SECONDED BY: 
TOM LABONGE
Councilmember, 4th District

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**DEPARTMENT OF CULTURAL AFFAIRS FACILITY COSTS
2009-10**

FACILITY	FAIR MARKET RENTAL VALUE			UTILITIES			BUILDING MAINTENANCE	SECURITY	CUSTODIAL	MONTHLY TOTALS	ANNUAL COST
	COST/SQ. FOOT	SQ. FOOTAGE	MONTHLY MARKET RENT	WATER	ELECTRICITY	GAS					
Art in the Park Arts Center at Hermon Park in Arroyo Seco (Highland Park)	\$1.25	2846.57	\$3,558.21	\$0.00	\$2,116.45	\$145.68	\$5,129.46	\$0.00	\$0.00	\$10,949.80	131,397.60
Barnsdall Art Center (Hollywood)	\$1.75	9105.23	\$15,934.15	\$0.00	\$4,178.51	\$1,225.37	\$129,016.17	\$0.00	\$0.00	\$150,354.20	1,804,250.40
Barnsdall Junior Arts Center (Hollywood)	\$1.75	18328.11	\$32,074.19	\$0.00	\$48,488.00	acct. closed 7-30-07		\$0.00	\$0.00	\$80,562.19	966,746.28
Barnsdall Gallery Theatre (Hollywood)	\$1.75	7519.50	\$13,159.12	\$0.00	\$33,808.18	\$5,904.19		\$0.00	\$0.00	\$52,871.49	634,457.88
Eagle Rock Community Cultural Center (Eagle Rock)	\$1.50	9765.61	\$14,648.41	\$910.41	\$8,281.99	\$596.92	\$6,433.36	\$0.00	\$0.00	\$30,871.09	370,453.08
Encino Folk Arts Center (Encino)	\$1.25	1358.00	\$1,697.50	\$0.00	\$6,550.55	\$592.69	\$118.56	\$0.00	\$0.00	\$8,959.30	107,511.60
Lankershim Arts Center (North Hollywood)	\$2.00	5672.18	\$11,344.36	\$423.69	\$16,816.38	\$0.00	\$22,444.56	\$0.00	\$0.00	\$51,028.99	612,347.88
Lincoln Heights Junior Art Center (Lincoln Heights)	\$1.25	14720.00	\$18,400.00	\$677.48	\$10,919.49	\$164.11	\$0.00	\$0.00	\$0.00	\$30,161.08	361,932.96
McGroarty Arts Center (Tujunga)	\$1.50	5526.09	\$8,289.13	\$0.00	\$8,338.75	\$2,704.65	\$8,534.44	\$0.00	\$0.00	\$27,866.97	334,403.64
William Grant Still Art Center (Mid-Wilshire)	\$1.50	3324.66	\$4,986.99	\$818.90	\$5,642.06	\$367.21	\$2,664.15	\$0.00	\$0.00	\$14,279.31	171,351.72
William Reagh Los Angeles Photography Center (Pico-Union)	\$1.25	2500.00	\$3,125.00	\$345.31	\$6,890.42	\$0.00	\$819.33	\$0.00	\$0.00	\$11,180.06	134,160.72
Madrid Theatre (Canoga Park)	\$2.00	15197.17	\$30,394.34	\$1,815.35	\$21,078.32	\$1,450.79	\$18,591.09	\$0.00	\$0.00	\$73,329.89	879,958.68
Warner Grand Theatre (San Pedro)	\$2.50	38838.66	\$97,096.66	\$4,733.89	\$54,769.10	\$3,103.00	\$26,668.49	\$0.00	\$0.00	\$186,371.13	2,236,453.50
Vision Theatre (Leimert Park)	\$2.00	16000.00	\$32,000.00	\$526.53	\$24,466.27	\$0.00	\$4,282.28	\$0.00	\$0.00	\$61,275.08	735,300.96
TOTAL	\$23.25	150701.78	\$286,708.05	\$10,051.56	\$252,344.47	\$16,254.61	\$224,701.88	\$0.00	\$0.00	790,060.58	9,480,728.90

* Note: Barnsdall maintenance costs are bundled together and listed under Barnsdall Art Center. There is no itemized cost for maintenance for the Barnsdall Junior Arts Center and Barnsdall Gallery Theatre, respectively.