



Staff Report

File #: REPORT 20-0633, Version: 1

Honorable Mayor and Members of the Hermosa Beach City Council and the Parks, Recreation and Community Resources Advisory Commission
Study Session of September 29, 2020

STUDY SESSION TO REVIEW THE FINAL REPORT ON THE COMMUNITY THEATRE NEEDS ASSESSMENT

(Community Resources Manager Kelly Orta)

Recommended Action:

Staff recommends that the City Council and the Parks, Recreation and Community Resources Advisory Commission:

1. Provide input on the desired option for the future programming, management and use of the Community Theatre, including either:
 - a. A major renovation of the Community Theatre to transform it into a regional performing arts center; or
 - b. A conservative renovation to upgrade the Community Theatre, taking into consideration its current users and maintaining the community focus of the facility.
2. Request that the Parks, Recreation and Community Resources Advisory Commission's Community Theatre subcommittee work with staff to develop guidelines for a business plan for the Community Theatre, consistent with the desired option noted above.

Executive Summary:

The City Council approved an award of contract to the DLR Group to conduct a needs assessment of the Community Theatre facility at its meeting on October 22, 2019. This assessment includes a structural and functional analysis of the facility including its amenities, equipment, and limitations; market analysis; and conceptual cost estimates for two scenarios including a major renovation that would transform the facility into a regional performing arts center, and a conservative renovation that would maintain the community-focus of the facility.

The DLR Group has completed its analysis and study of the facility and has compiled a comprehensive study that accomplishes the previously noted goals in addition to renovation recommendations consistent with both of the requested options including cost estimates for each. Staff is requesting that the Council and the Parks, Recreation and Community Resources Advisory Commission provide input on their desired option for the future programming, management and use of the Community Theatre; and request the Commission's Community Theatre subcommittee to work

with staff to develop guidelines for a business plan, consistent with the desired option.

Background:

The 500-seat Community Theatre is a City-owned facility, managed and operated by staff since the property was purchased from the Hermosa Beach City School District in 1978. The City, itself, does not produce the events held at the Theatre. The Community Theatre is solely a rentable facility that hosts a variety of productions such as live-stage performances, movie screenings, award presentations and other events for guests of all ages.

The City Council determined the Community Theatre to be a high priority item during its Strategic Planning in 2015. In response, the Parks, Recreation and Community Resources Advisory Commission (Commission) established the Community Theatre subcommittee at its regular meeting on April 5, 2016, which elected Commissioners Rosenfeld and Lange to serve in this role. Following an attempt to solicit responses to a request for proposal (RFP) that sought an organization to program and manage the facility on behalf of the City, it became apparent that having an assessment completed on the facility's infrastructure would provide a clearer picture of its current state; renovation options; and, conceptually, areas of improvement that would enhance its ability to provide a greater variety of productions for the community. The absence of this insight throughout the RFP process added a level of unknown regarding the amount of work that the facility would need to elevate it to a desired standard. More than one proposer expressed concern about this and was highlighted by the Commission subcommittee to be its recommended next step in the study of the facility. This recommendation was provided to the City Council subcommittee, which was created on November 14, 2017 and composed of Councilmembers Stacey Armato and Jeff Duclos. The Council subcommittee agreed that this was the appropriate path and this recommendation was formally presented to the City Council at its regular meeting on November 13, 2018, where it directed staff to begin looking into the completion of a facility infrastructure assessment of the Community Theatre to include an analysis and conceptual cost estimate of two scenarios:

1. A major renovation of the Community Theatre to transform it into a regional performing arts center; and
2. A conservative renovation to upgrade the Community Theatre, taking into consideration its current users and maintaining the community focus of the facility.

The importance of having both scenarios as part of the analysis is that it provides an alternate lens into the potential renovation of the facility while providing realistic cost estimates for future budgetary allocations. Further, this also provides an opportunity to gain valuable insight into the current state of the facility as well as its future potential depending on the desired direction and available funding opportunities. Additionally, the Council expressed an interest in ensuring that the needs assessment include market comparisons with similar theatre facilities for programming and management practices. Staff issued an RFP for this analysis and approved a contract with the DLR Group at its meeting on October 22, 2019. A first amendment to this agreement was approved on June 9, 2020

that extended it for five months to allow additional time needed as a result of delays caused by the COVID-19 pandemic.

Discussion:

The DLR Group has completed its analysis and study of the Community Theatre facility and has provided its recommendations for the future programming and management of the facility. Its final report (**Attachment 1**) includes the following:

- A comprehensive market assessment that includes local and regional demographics and comparative information;
- Findings from a community survey and outreach that included over 130 survey responses and approximately 10 smaller interviews with user groups and community members;
- Comparative information on presenting, producing and rental management options for theatres and how that compares with the City's theatre facility;
- Alignment of future renovations of the Community Theatre with PLAN Hermosa;
- Comparable renovation project information of similar theatre facilities;
- Comprehensive building; architectural; structural; electrical and fire protection; mechanical and plumbing; theatrical; acoustical; audiovisual assessments;
- Recommendations for renovations and upgrades to the theatre facility consistent with both options previously discussed;
- Conceptual drawings that depict options for accommodating the additional space needed for infrastructure enhancements to support the recommended expansion of the facility for each of the two options; and
- A cost estimate for both options based on the DLR Group's recommendations for facility enhancements.

Included as **Attachment 2** is the DLR Group's presentation slides for its presentation on the final report.

General Plan Consistency:

This report and associated recommendation have been evaluated for its consistency with the City's General Plan. Relevant policies are listed below:

Governance Element

Goal 2. The Community is active and engaged in decision-making processes.

Policies:

- **2.7 Major planning efforts.** Require major planning efforts, policies, or projects to include a public engagement effort.

Goal 5. Small beach town character is reflected throughout Hermosa Beach.

Policies:

- **5.7 Visitor and resident balance.** Recognize the desire and need to balance visitor-serving and local-serving uses as a key to preserving character and the economic vitality of the community.

Land Use Element

Goal 10. A strong sense of cultural and architectural heritage.

Policies:

- **10.4. Historical resources as cultural tourism.** Promote historic places and cultural tourism as an economic development strategy.

Goal 11. A proud and visible identity as an arts and cultural community.

Policies:

- **11.3. Art as cultural tourism.** Recognize the value of the arts to the City's quality of life and economic stability and promote cultural tourism as an engine for economic development.

Goal 12: A mix of cultural facilities that support and encourage the community's vibrant range of art creation and presentation.

Policies:

- **12.2. Future venues for art.** Consider opportunities to incorporate community performance, craft, and other artistic facilities into the development or redevelopment of City-owned community facilities.

Parks & Open Space Element

Goal 1. First class, well maintained, and safe recreational facilities, parks and open spaces.

Policies:

- **1.1. Facility upgrades.** Improve and update park and open space facilities on a regular basis.

Goal 3. Community parks and facilities encourage activity and interaction.

Policies:

- **3.6. Availability of City facilities.** Consider the demand and availability of City facilities for general community use in the long-term lease and/or rental of City facilities.

Fiscal Impact:

There are no fiscal impacts associated with this study session or with this stage of analysis of the Community Theatre facility. There are no funds appropriated for the renovation of the Community Theatre in the 2020-21 Budget.

Attachments:

1. Community Theatre Market and Building Assessment Report
2. Presentation Slides

Respectfully Submitted by: Kelly Orta, Community Resources Manager

Noted for Fiscal Impact: Viki Copeland, Finance Director

Legal Review: Mike Jenkins, City Attorney

Approved: Suja Lowenthal, City Manager