

Non-Code Ordinance

By: Deputy Mayor Sullivan-Leonard
Introduced: January 28, 2013
Public Hearing: February 25, 2013
Adopted: February 25, 2013
Vote: Buswell, Sullivan-Leonard, Lovell, Wall in favor.
Harris and Woodruff absent.

**CITY OF WASILLA
ORDINANCE SERIAL NO. 13-02**

An ordinance of the Wasilla City Council amending the Fiscal Year 2013 budget by appropriating \$11,000 from the General Fund, Fund Balance, for a one-time appropriation to the Valley Performing Arts for the Community Capital Campaign.

Section 1. Classification. This is a non-code ordinance.

Section 2. Purpose.

Section 3. Appropriation of Funds. The funds are appropriated to the following:

Pass thru to Non-profit; Valley Performing Arts 001-4990-499.97.10 \$11,000

Section 4. Source of Funds

General Fund, Fund Balance 001-0000-253.20.00 \$11,000

Section 5. Effective date. This ordinance shall take effect upon adoption by the Wasilla City Council.

ADOPTED by the Wasilla City Council on February 25, 2013.



VERNE E. RUPRIGHT, Mayor

ATTEST:



KRISTIE SMITHERS, MMC, City Clerk

[SEAL]

CITY OF
WASILLA
 • ALASKA •

CITY COUNCIL LEGISLATION STAFF REPORT

Ordinance Serial No. 13-02: An ordinance of the Wasilla City Council amending the Fiscal Year 2013 budget by appropriating \$11,000 from the General Fund, Fund Balance for a one-time appropriation to the Valley Performing Arts for the Community Capital Campaign.

Originator: Deputy Mayor Colleen Sullivan-Leonard *CS Leonard*
 Date: 1/14/2013 Agenda of: 1/28/2013

Route to:	Department Head	Signature	Date
X	Finance Director	<i>[Signature]</i>	1-16-13
X	Deputy Administrator	<i>[Signature]</i>	1-16-13
X	City Clerk	<i>[Signature]</i>	1/15/13

Reviewed by Mayor Verne E. Rupright: *[Signature]*

Fiscal Impact: yes or no **Funds Available:** yes or no

Account name/number:
 General Fund, Fund Balance 001-0000-253.20.00 \$11,000

Attachments: VPA Community Capital Campaign information "Raising the Curtain" (6 pages)
 Ordinance Serial No. 13-02 (1 page)

Summary Statement: Supporting community capital investments is important in our City as we continue to grow and spur economic development. I am requesting that we assist the Valley Performing Arts (VPA) Community Capital Campaign in their endeavor to build a new theater by contributing \$11,000.

The City has supported past capital ventures with financial support when an investment has shown to promote economic development and enhancement to the culture and quality of our community. This is a one-time capital investment in the Valley Performing Arts to go toward the purchase of the old cinema theater; this money will not go toward operation costs.

As the VPA moves their Community Capital Campaign forward, they have stated that they chose a site that was purposefully in Wasilla to build their new theater. They see long-term benefits of investing their business in the City. We appreciate their efforts to stay as an anchor here in Wasilla. Building a theater along the Parks Highway is a strong investment and we know it will stimulate the economy as patrons will eat at nearby restaurants, stay at our local hotels, while enjoying the wonderful talent offered. This is a win-win for both the Valley Performing Arts and the City of Wasilla.

Attached please see the Community Capital Campaign for the Valley Performing Arts' new theater. Their overall campaign is projected to build a \$8.5 million dollar theater. Our contribution of \$11,000 is an important way for the City to contribute and will show VPA's investors that we have skin in the game and believe that this is a solid and worthy community investment.

I am asking for the Council to appropriate funding in the amount of \$11,000 from the General Fund, Fund Balance, for a one-time appropriation for this capital investment to the Valley Performing Arts Community Capital Campaign.

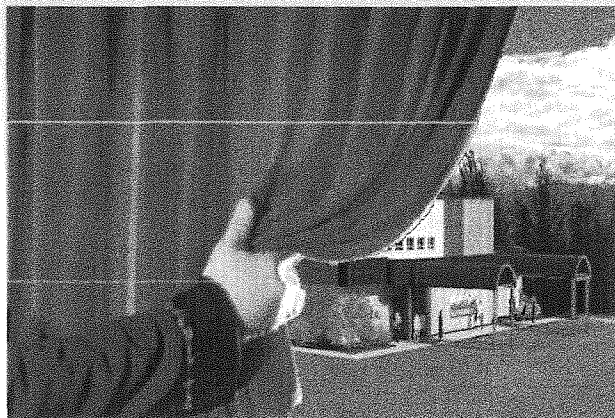
Deputy Mayor Recommendation: Introduce and set for public hearing Ordinance Serial No. 13-02.

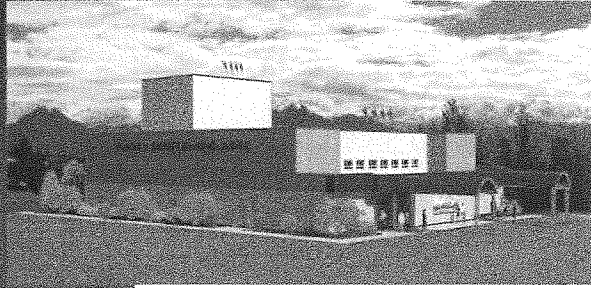


VALLEY PERFORMING ARTS

A Community Capital Campaign

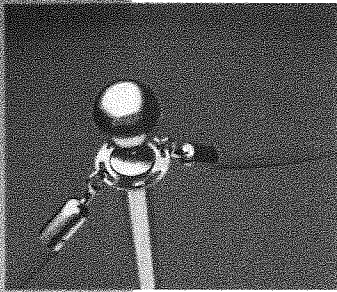
RAISING THE CURTAIN





- Maintain financial integrity and ensure that the capital project fits within the long term goals of promoting community participation and increased appreciation of the arts

A Valley Community Asset | Vision



VPA's Vision

To create a facility that supports our growing community and provides for VPA's operational needs. Identified needs: increase theatre seating and production capacity, create ancillary production facilities that can be used for rehearsal space as well as community functions, and develop improved administrative and theatre support/storage areas.



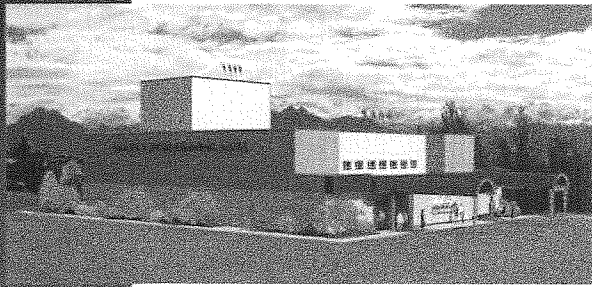
Valley Performing Arts Has Out-grown Its Space

VPA does not have adequate support function space resulting in rehearsals taking place in local churches and school cafeterias. Limited set, properties, and costume storage is located in separate "off property" locations. Without orchestra space, two rows of seating must be removed thus reducing ticket sales. Undersized stage wings results in the storage of pieces in the green room, on a second floor, and outside the building in a temporary conex. Administrative offices are inconveniently located in a separate building behind the theatre, sharing space with costume and properties storage.



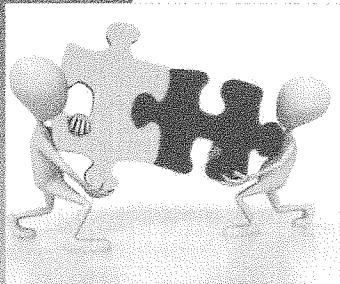
Community Demand

Since 2011, over 40% of VPA's productions have been sold out, indicating the need for larger seating capacity. A secondary market exists in the rental of theatre space to local organizations. Current schedules do not allow us to meet community needs for one-time small group gatherings or for larger public events like concerts or recitals. With additional ancillary space we could fill our community need and enjoy an opportunity for income and/or community goodwill.



- Securing partnerships with public and private entities to ensure success and to maintain leadership in theatre arts in the Mat-Su Borough

A Valley Community Asset | Capital Funding Strategy



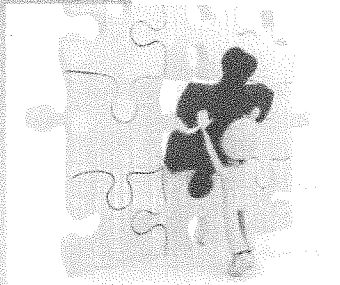
Capital Strategy

VPA is looking to you for the needed capital funding.

\$1,650,000 Purchase of the Mat-Su Cinema, located on the Parks Highway

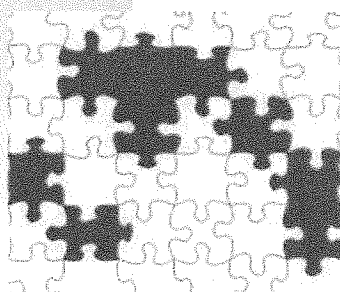
Funding needed by February 2013

\$6,910,500 capital improvements



Funding Strategy

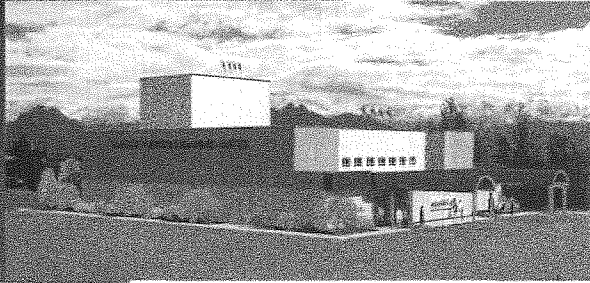
Capital funding will come from several sources:



Community Impact

Valley Performing Arts is an integral part of your community – as a venue for quality live theatre, as an organization with numerous opportunities for volunteerism, and as an economic support. It is estimated that the operations of VPA (including those that volunteer and those that attend its yearly performances) generates in excess of \$510,000 in annual expenditures in the community which in turn supports over 16 full-time equivalent (FTE) jobs in the community, resulting in \$365,000 in local household income and almost \$48,000 in local and state revenue*.

*Arts & Economic Prosperity IV – Americans for the Arts



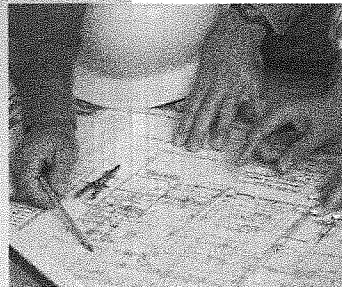
- Develop an obsolete and dated facility into a welcoming and vital community asset

A Valley Community Asset | Acquisition



Property Acquisition

The former Mat-Su Cinema, located on the Parks Highway in Wasilla, has been selected as the site for our new facility. This property includes a 1-acre parcel of land located between the building and neighboring Evangelo's Italian Restaurant. Developing this property turns a vacant "eye-sore" into an attractive and productive community asset and a wonderful "welcome mat" to Parks Highway corridor.



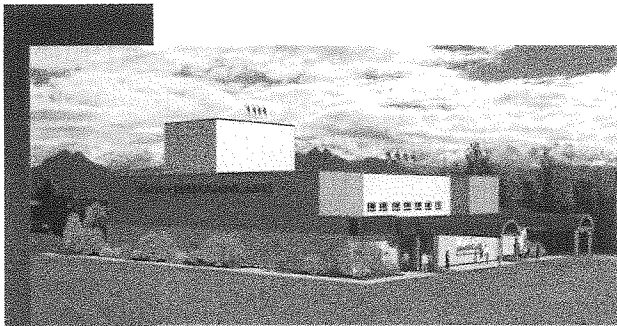
Facility Development

The existing facility houses three small narrow theatres. Current plans will create one large theatre and mezzanine with a seating capacity of 300 seats and one smaller multi-function space that will accommodate up to 100 seats and provide additional rehearsal space.

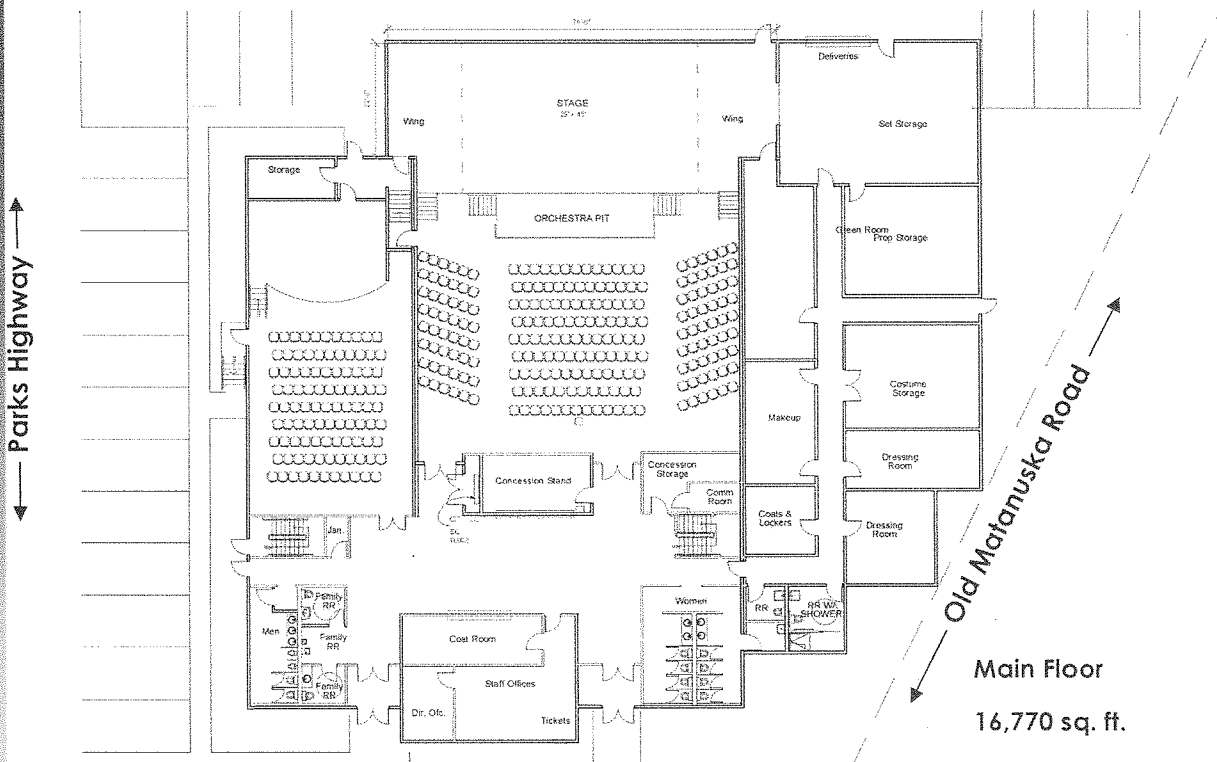


Land Development

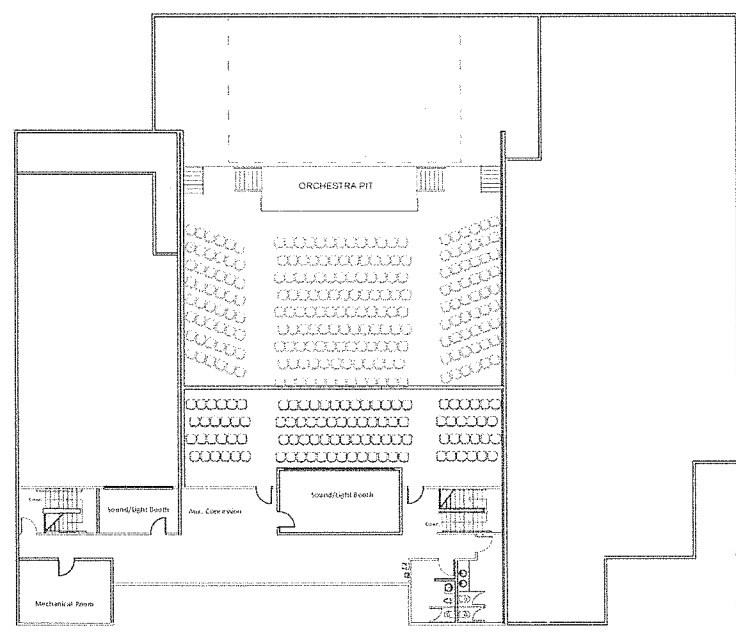
Improvements to the site will include appealing landscaping and will allow for parking on three sides of the new facility. Modifications to the structure will provide two separate areas for entrance to the facility.



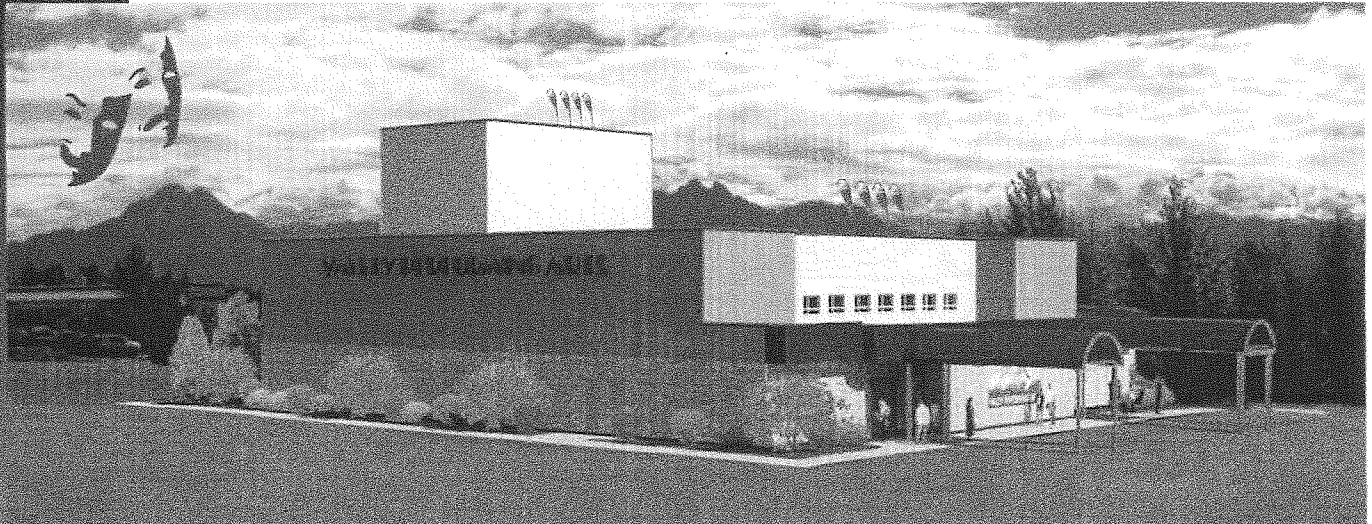
- An enhanced facility to better serve the growing community, the increasing number of theatre partners and an expanding volunteer base



Main Floor
16,770 sq. ft.



Mezzanine Level
3,350 sq. ft.



Valley Performing Arts

Project Cost Estimate for the Renovation & Expansion of the old Mat-Su Cinema Building

The estimate is for a 20,120 Square Foot (SF) building with a 16,770 SF remodel and addition on the Main Floor & a 3,350 SF remodel and addition of the mezzanine.

Hard Costs:			
Total Construction Estimate:		\$ 5,550,409	= \$276/SF
Soft Costs:			
1. Property Acquisition		\$ 1,650,000	Mat-Su Cinema and adjacent lot
2. Estimated design costs	6%	\$ 333,025	Includes bid assistance, construction admin, FFE assistance.
3. Project Manager	1%	\$ 55,504	
4. Other direct costs	3%	\$ 166,512	Includes building permit, special inspections, advertising, survey, soils testing
5. Parking / Landscaping		\$ 100,000	
6. Contingency	10%	\$ 555,041	Based upon construction cost
7. Capital Campaign Costs		\$ 150,000	
Subtotal Soft Costs:		\$ 3,010,082	
Total Project Cost Estimate		\$ 8,560,490	

Note: This cost estimate is based on the assumption that the project will be delivered using a design/build approach to be started in 2014.