## CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY

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**Bill Type and Number:** Ordinance 2021-329

**Introducer/Sponsor(s):** Council President at the request of the Mayor

Date of Introduction: May 25, 2021

Committee(s) of Reference: NCSPHS, F

**Date of Analysis:** May 27, 2021

Type of Action: Approval of lease agreement; designation of oversight agency

**Bill Summary:** The bill approves a new 5-year lease agreement between the City and the Jacksonville Symphony Association for the symphony's use of Jacoby Symphony Hall and office and rehearsal space in the Times-Union Center for the Performing Arts. The Department of Parks, Recreation and Community Services is designated at the City's oversight agency for the lease.

**Background Information:** The symphony has leased Jacoby Symphony Hall and additional spaces in the Times-Union Center (symphony administration offices, musicians' lounge, ticket office, music library, conductor's dressing room, chorus rehearsal room, instrument storage room) since 2001 when the Civic Auditorium was renovated and expanded into the Times-Union Center for the Performing Arts. The latest lease approved by City Council covered the period from 2016-2021.

The new lease runs from July1, 2021 through June 30, 2026. The initial base lease rate is \$8,702.95 per month, which shall increase annually by 3%, subject to an annual rent abatement in the event the symphony exceeds certain thresholds for the number of paid single tickets sold. The annual abatement (based on ticket sales from October 1 through September 30 each year) shall be \$3,000 if 27,000 paid single tickets are sold, \$6,000 for 30,000 paid single tickets sold, and \$9,000 for 33,000 paid single tickets sold. The symphony will continue to collect the City's "ticket user fee" on each ticket sold, with the proviso that season ticket packages shall be subject to a single user fee. The lease entitles the symphony to priority scheduling for 200 rehearsal and performance dates per year, consisting of 190 dates in Jacoby Symphony Hall (or up to 20 dates in the Terry Theater) and 15 rehearsal/performance dates in the Moran Theater.

The lease incorporates naming rights and sponsorship provisions for interior portions of the facility from which the Symphony will retain all revenues. The City retains the rights to the revenues from naming and/or sponsorship rights to the entire building. The agreement provides that the Symphony will provide the City with 20 complimentary tickets to each event (subject to performer contractual requirements). The agreement provides that the Symphony may utilize a caterer of its choice to provide food and beverages for its patrons in conjunction with events of up to 99 attendees, and must use ASM's caterer for events with an attendance of 100 or more.

Policy Impact Area: Public facility use

**Fiscal Impact:** The initial base lease rate is \$8,702.95 per month, which shall increase annually by 3%, subject to abatement based on the number of single tickets sold.

**Analyst:** Clements