

NOTES

TO: Honorable Mayor and City Council Members

FROM: Ann E. Walker, City Manager

DATE: August 23, 2017

SUBJECT: Materials for Your Information


Please find attached the following materials for your information:

1. A memo from Gary Fenton, Director of Recreation and Parks, regarding Magnolia Arts Center Lease

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Attachments

Memo

To: Ann Wall, City Manager
From: Gary Fenton, Director of Recreation and Parks 
Date: August 23, 2017
Re: NTC - Magnolia Arts Center Lease

Staff recently received questions regarding Magnolia Arts Center's (M.A.C.) lease of the Perkins Complex Building, located at 1703 East 14th Street, here in Greenville.

The original lease was established by Council action in August, 2013. Council amended the lease in August 2015, and the current lease expires August 31, 2018. The lease may be extended for an additional seven (7) years beyond the 8/31/18 expiration, provided that the lessee has met all the conditions of the lease and, by January 2, 2018, presents the City of Greenville with written notice of its desire to extend the lease. (Note: During this seven year period, either party may terminate the lease with a one year written notification to the other.)

Magnolia Arts Center, at its own expense, is responsible for all repairs, improvements and operational costs associated with the facility. This includes utilities, which average about \$850.00 per month. Since the initiation of the original lease, the organization has invested over \$12,000 in repairs and improvements, including developing accessible routes of travel to and from the building, replacement of an HVAC unit, installation of a new floor, and a total renovation of the restrooms to make them ADA accessible.

Beyond direct expenditures, MAC members have also provided their own donations for various improvements, including outdoor landscaping and an upcoming \$7,000 project to replace the front doors and paint the building's exterior.

The facility is used for MAC-sponsored meetings, productions, rehearsals, performances, classes, and related services. While the MAC may not assign or transfer the lease agreement or sublet the premises without the City's written consent, it is understood that the MAC may — and will — allow the use of the leased premises for meetings, productions, and functions of other non-profit arts and education organizations which are compatible with the MAC's mission as a tax exempt, non-profit organization.

The rental rate for the use of the building is \$37.50/ hour, which is quite reasonable. (As a comparison, the rate for the smaller Barnes-Ebron-Taft Building Greenfield Terrace Park runs from \$25 to \$53 per hour, depending on whether or not the renting organization is non-profit and whether or not the renting individual is a City of Greenville resident.)

Some individuals/organizations who have or will rent the facility include:

- Maurice Jordan — Jazz Group
- Metisia Wooten — Nutrition Workshop — Free event open to the public. Interactive workshop teaching the community how to eat healthy in their daily lives.
- The Purple Goddess — Free Concert, September 02, 2017
- Mr. Sham Redmond
- Mr. Lester Howard

The only time a group may not be able to book the facility it is when MAC sponsored shows or rehearsals are scheduled. MAC's shows are booked two years in advance and anyone who inquires about using the facility is informed of the dates of these bookings.

Please let me know if there are any questions.

cc: Michael Cowin, Assistant City Manager