

June 12, 2019

WHEREAS, the City of Dallas owns the land and improvements comprising the Kalita Humphreys Theater premises located at 3636 Turtle Creek Boulevard in Dallas County, Texas; and

WHEREAS, the City and the Dallas Theater Center ("DTC") are currently parties to that certain Use Agreement dated September 26, 1973, as amended (the "Lease"), which provides for the terms and conditions under which the DTC is the lessee of the Kalita Humphreys Theater and the annex building known as the Heldt (collectively for purposes herein, the "Kalita"); and

WHEREAS, the lease expired by its own terms on September 26, 2013; and

WHEREAS, the parties have maintained the Lease on a month to month holdover status in the interim pending the negotiation of lease extension occupancy and use terms for DTC's continued use of the Kalita; and

WHEREAS, City and the DTC desire to amend and extend the Lease for an additional five years ("Extension Term"), subject to amended lease terms to provide for the City's continued lease of the Kalita to the DTC; and

WHEREAS, the consideration to be paid to the City by the DTC is a rental of \$1.00 per year during the Extension Term, and DTC's agreement to continue to use, operate, and manage the Kalita, to provide for and carry out the City's cultural public purpose in accordance with the Lease, as amended.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager, upon approval as to form by the City Attorney and attested by the City Secretary, is hereby authorized to execute a Third Amendment to the Lease Agreement ("Third Amendment") between the Dallas Theater Center ("DTC"), as lessee, and the City of Dallas, as lessor, to enable the DTC to continue to lease, occupy, manage, and operate the Kalita for an additional five year term, for the period June 12, 2019 through June 1, 2024 (the "Extension Term"), to carry out the City's cultural public purpose in accordance with the Lease, as amended.

SECTION 2. That additional special terms and conditions of the Third Amendment include among other things, the following terms and conditions:

- A. Total rent payable to the City by the DTC during the Extension Term shall be \$1.00 per year payable on or before January 2 of each lease year; and

June 12, 2019**SECTION 2.** (continued)

- B. The DTC will be responsible to provide additional services in its Kalita operations through a City approved Equitable Access Plan for the Kalita operations and complete an update to the 2010 Master Plan for the Kalita and the surrounding park land within the first year of the Extension Term. Specifically at a minimum:
- a. The Equitable Access Plan will include effective policies and procedures for Kalita operations to provide non-resident groups greater opportunities to book space and utilize basic sound and lighting equipment and technical support; and
 - b. The booking calendar shall be submitted to the Director of the Office of Cultural Affairs for approval; and
 - c. Any changes to sublessee dates must have sublessee's prior consent
 - d. At a minimum, the following number of weeks are reserved for non-resident groups at the Kalita and the Heldt
 - i. Year 3: 4 weeks reserved for non-resident groups
 - ii. Year 4: 8 weeks reserved for non-resident groups
 - iii. Year 5: 12 weeks reserved for non-resident groups
- C. DTC must maintain the Kalita in a clean, safe condition, and in good order and repair; and
- D. DTC must provide designated office and storage space and props and costume design space for use by sublessees concurrently with the main stage/space in Extension Term years 2 through 5; and
- a. Must do the same with respect to the Heldt office space.
- E. DTC must submit an Updated Master Plan to the City c/o the Office of Cultural Affairs no later than December 2020 ~~at the end of Extension Term Year 4~~ to include and provide for the following:
- a. An independent third party consultant/team with historic restoration and theater design experience
 - b. A steering committee of diverse stakeholders to include three (3) Directors from the City of Dallas, two (2) local theater groups, and eight (8) nine (9) community stakeholders (one of which is from AIA and one is from Preservation Dallas); and
 - c. Performing arts community provides additional contemporary feedback for renovations for interior spaces; and
 - d. Completion of a support building should precede renovation or replacement of the Heldt; and

June 12, 2019

SECTION 2. (continued)

- e. Allow for the restoration of the exterior of the Kalita to the 1959-60 period of significance; and
 - f. That the 2020 Master Plan Update project plan and the 2010 Master Plan be briefed to the Arts & Culture Advisory Commission, Park & Recreation Board, Landmark Commission and City Council Quality of Life Committee, once at the beginning of development of the update, once at the middle, and then at the end of the development of the draft update.
- F. DTC must implement the Equitable Access Plan and use reasonable best efforts to assist the Manager in fundraising for the implementation of the theater-related elements of the Updated Master Plan during years 2 through 5; and
- G. DTC must sublease the Kalita and the Heldt at market rates; and
- H. All other terms of the Lease, as amended, not expressly amended hereby shall remain in full force and effect.

SECTION 3. That the Chief Financial Officer is hereby authorized to receive and deposit all revenues received under the Third Amendment to the General Fund, Fund 0001, Department OCA, Unit 4847, Revenue Code 7219.

SECTION 4. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

APPROVED AS TO FORM:
Christopher J. Caso, Interim City Attorney

By: _____


Assistant City AttorneyAPPROVED BY
CITY COUNCIL

JUN 12 2019


CITY SECRETARY