



Legislation Text

File #: 2024-046, **Version:** 1

Consider a resolution authorizing the Mayor to execute a Grant Agreement with Penfold Theatre Company for the encouragement of the performing arts.

Penfold Theatre Company is a 501(c)(3) nonprofit organization that has been operating in the Round Rock-Austin metro area for 16 years. Round Rock 2030, the City's 10-year comprehensive plan, and the Round Rock Creates arts master plan, call for fostering creative entrepreneurs and businesses, as well as providing additional entertainment options for the community to enhance quality of life and economic vitality. In recent years, Rock Creek Plaza has undergone a significant revitalization, attracting a diverse mix of retailers and eateries, creating a dynamic environment for additional entertainment options. Penfold has entered a lease agreement with R.C. Center Limited Partnership ("Landlord") for a roughly 6,400-square-foot space in the shopping center, which is currently being used as a church, to operate a venue for performing arts programming. The grant agreement is intended to support the initial stages of Penfold's use of the facility, which is a critical period for establishing their performing arts programs and activities. The term of the grant agreement is until either 22 months after the rent commencement date in the lease or upon termination by either party. The grant is intended to encourage Penfold to facilitate performing arts events, including workshops and performances, at least 180 days per year.

Provided all Arts Grant conditions present in the agreement have been satisfied, the City will make payments on the following schedule:

- a) Beginning with the fourth month of the Lease Agreement, the City shall make eight monthly payments to the Landlord in the amount of \$17,950.00, to be applied by the Landlord to the monthly rent and other obligations owed by Penfold.
- b) Beginning with the thirteenth month of the Lease Agreement, the City shall make ten monthly payments to the Landlord in the amount of \$18,273.00, to be applied by the Landlord to the monthly rent and other obligations owed by Penfold.
- c) The total amount of the grant payments made to the Landlord on behalf of Penfold shall not exceed \$326,330.00.

Cost: \$326,330.00

Source of Funds: Hotel Occupancy Tax Fund