



MEMORANDUM  
COUNTY OF PLACER  
Office of Economic Development

TO: Honorable Board of Supervisors  
FROM: David C. Snyder, Director  
DATE: May 20, 2014  
SUBJECT: Auburn Placer Performing Arts Center (APPAC) request for Capital Funds

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**ACTION REQUESTED**

Approve a grant agreement with the Auburn Placer Performing Arts Center at a new county cost of \$125,000, to match the City of Auburn and private donations, specific to the restoration and construction of the State Theatre's interior stage and historical architecture; and, authorize the County Executive Officer to execute the grant agreement upon approval of County Counsel and Risk Management.

**BACKGROUND**

The non-profit Auburn Placer Performing Arts Center (APPAC) is in the midst of a capital campaign to raise funds toward phased restoration of the State Theatre at 985 Lincoln Way in Auburn, also known as "The Jewel of the Foothills." Since 2009, APPAC has completed a new business plan, secured an option to purchase adjacent property, refurbished the lobby and restrooms, and installed a 35mm projector and screen, all the while operating a 130-seat *demonstration* theatre presenting notable films and exciting live performances. Also, since 2009, patron attendance has exceeded 28,500 people attending over 350 events. At the completion of the restoration the State Theatre will accommodate 320 seats.

APPAC benefits from an extraordinarily engaged board of directors and enthusiastic volunteer army. In partnership with the City of Auburn, a feasibility study was completed and significant facility improvements were achieved. During the capital campaign, substantial private and public sector revenues have been raised, along with in-kind contributions of labor and materials. Two additional local donors have offered donations in the aggregate amount of \$125,000 contingent upon Placer County providing a matching donation.

The community has embraced the existing 130-seat demonstration theatre, with Take Note Troupe, Placer Community Theatre, Auburn Symphony Chamber Players, and the Placer Pops Chorale providing a veritable smorgasbord of successful events. Placer Nature Center, Protect American River Canyons, Placer Community Foundation, Auburn Hip Hop Congress, and even the Placer County Economic Development Board have staged special events or screened films at the State Theatre.

Attendance at arts events generates income for local businesses including restaurants, retail stores and lodging establishments. According to Americans for the Arts, the average arts attendee spends \$24.60 per event, *not including* the cost of admission. National findings reveal that the economic impact of the Nonprofit Arts and Culture Industry generates \$135.2 billion of economic activity (see

attached report). This economic activity supports 4.1 million full-time jobs and produces \$22.3 billion in revenue to local, state, and federal governments every year.

A fully restored State Theatre will benefit local residents, attract visitors from throughout the region, and contribute significantly to revitalizing the economy.

**ENVIRONMENT IMPACT**

None, exempt from CEQA.

**FISCAL IMPACT**

The requested grant is to match a City of Auburn's grant of \$125,000. County funding will leverage an *additional* \$125,000 in private and corporate donations toward the restoration and construction of the State Theatre. Placer County's funding will be specifically invested in a permanent portion of the theatre's interior remodel, including original stage, back stage components, and historical architectural features. The funding is available in the General Fund for FY 2013-14 in the Community and Agency Support appropriation as a new net county cost.

**GRANT AGREEMENT  
STATE THEATRE RESTORATION**

This Grant Agreement made and entered into this 3<sup>rd</sup> day of June, 2014, by and between the AUBURN PLACER PERFORMING ARTS CENTER (APPAC), a California non-profit corporation, hereinafter referred to as "GRANTEE", and the COUNTY OF PLACER, a political subdivision of the State of California, hereinafter referred to as "COUNTY".

**WITNESSETH:**

**WHEREAS**, GRANTEE is restoring the State Theatre, located at 985 Lincoln Way, Auburn, CA (the "Project");

**WHEREAS**, a fully restored State Theatre will benefit local residents, attract visitors from throughout the region, and contribute significantly to revitalizing the economy;

**WHEREAS**, COUNTY desires to grant to GRANTEE Community and Agency Support funds in the amount of One Hundred Twenty-Five Thousand Dollars (\$125,000) to assist with construction of the Project on the terms and conditions stated herein;

**NOW, THEREFORE**, it is hereby agreed, by and between the parties, hereto as follows:

1. The Recitals listed above are incorporated into this Agreement.
2. COUNTY shall grant to GRANTEE Community and Agency Support funds in the amount of One Hundred Twenty-Five Thousand Dollars (\$125,000) (the "Grant Funds").
3. GRANTEE shall use Grant Funds exclusively for construction/remodel of a permanent portion of the theatre's interior remodel; including original stage, back stage components, and historical architectural features. Upon request, GRANTEE shall provide written reports to COUNTY until Project completion of the status of construction, including an accounting of the use of the Grant Funds.
4. Upon completion of the Project, GRANTEE shall post signs in a conspicuous location near the entrance to the Project building that construction of the Project was funded in part by funds granted by the County of Placer. Recognition of the COUNTY may be provided in the same manner as recognition provided to other major grant providers or Project donors.
5. The Project shall be completed and operational no later than December 31, 2014, unless COUNTY grants an extension in writing. Any Grant Funds not used on construction of the Project by December 31, 2014 shall be returned to the COUNTY, unless extended by the COUNTY.
6. GRANTEE shall comply with all laws, rules and regulations applicable to the Project. GRANTEE agrees to, and shall, pay prevailing wages for all construction activities relating to the Project.
7. All property and/or improvements purchased and/or installed by GRANTEE pursuant to this Agreement shall become the sole and separate property of GRANTEE as of the timesaid property and/or improvements are installed.

8. GRANTEE agrees that funds granted to it for the construction of the Project shall not be used for any purpose not specified in this Agreement.

9. GRANTEE shall keep detailed accounting records in accordance with generally accepted accounting principles and as may be otherwise reasonably requested by COUNTY. COUNTY shall have the right to inspect said records at any reasonable time.

10. All notices to either party that may be required or authorized by this Agreement shall be in writing and either deposited in the United States Mail, postage prepaid or personally delivered. The notice shall be effective upon the date of personal delivery or date of mailing. Notices regarding this Agreement shall be sent or delivered to the GRANTEE or COUNTY at:

GRANTEE:

APPAC  
985 Lincoln Way  
Auburn, CA 95603

COUNTY:

Placer County Economic Development  
Attn: David Snyder  
175 Fulweiler Avenue  
Auburn, CA 95603

With a copy to:  
Placer County Counsel  
Attn: Gerald Carden  
175 Fulweiler Ave.  
Auburn, CA 95603

Either party may amend its address for notice by notifying the other party in writing.

11. GRANTEE shall save, keep, hold harmless, defend, and indemnify COUNTY from all damages, costs, or expenses in law or equity that may at any time arise or be set up because of damages to property or personal injury received by reason of or in the course of performing work which may be occasioned by any willful or negligent act or omissions of GRANTEE, any of GRANTEE'S employees, agents, representatives, contractors and/or subcontractors. GRANTEE shall be responsible for any liability imposed by law and for death, injury, or damage to property of any person including, but not limited to, workmen, subcontractors, and the public, resulting from any cause whatsoever during the progress of the work or at any time before or after its completion and final acceptance.

If any judgment is rendered against COUNTY for any injury, death or damage caused by GRANTEE as a result of work performed or completed, pursuant to this Agreement, GRANTEE shall, at its own expense, satisfy and discharge any judgment.

As used above, the term COUNTY means Placer County, its officers, agents, employees, and volunteers.

12. Insurance: It is agreed that GRANTEE and COUNTY shall each maintain at all times during the performance of this Agreement insurance coverage or self-insurance in the amounts of not less than One Million Dollars (\$1,000,000) to cover all of its operations. Specifically, but not limited to not less than One Million Dollars (\$1,000,000) General Liability, One Million Dollars (\$1,000,000) Automobile Liability and One Million Dollars (\$1,000,000) Workers' Compensation.

13. This Agreement shall inure to the benefit of, and bind the parties hereto, and their successors and assigns, including any and all entities to whom the real property and facilities herein referred to may be transferred by reason of incorporation, annexation, unification, consolidation, or for any other reason.

14. If any provision of this Agreement, as applicable to either party, or to any other person or circumstance, is for any reason held to be invalid, it should not affect the validity of any other provision of this Agreement. The waiver by either party hereto, of any breach, term, covenant or condition contained herein shall not constitute a waiver of any subsequent term, covenant or condition contained herein.

15. This is an integrated Agreement and contains all of the terms, conditions, understandings and promises of the parties. The terms of this Agreement may not be modified except upon the mutual written consent of the parties.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed on behalf of the persons duly authorized by the governing boards of the parties hereto.

Auburn Placer Performing Arts Center "GRANTEE"

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

COUNTY of Placer "COUNTY"

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Approved As To Form:

By: \_\_\_\_\_

Placer County Counsel

Date: \_\_\_\_\_

