

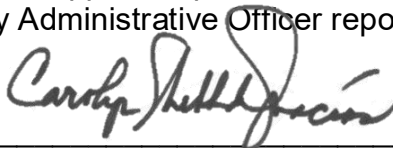
0150-12964-0000

**TRANSMITTAL**

|                    |                        |                  |
|--------------------|------------------------|------------------|
| TO<br>City Council | DATE<br>04/17/2025     | COUNCIL FILE NO. |
| FROM<br>The Mayor  | COUNCIL DISTRICT<br>10 |                  |

**Proposed Agreement with Where Art Can Occur (WACO) Theatre Center for the Co-management and Co-operation of the Vision Theatre Performing Arts Center**

Transmitted for your consideration. The Council has 60 days from the date of the receipt to act, otherwise the contract will be deemed approved pursuant to Administrative Code Section 10.5(a). See the City Administrative Officer report attached.



MAYOR

(Carolyn Webb de Macias for)

MWS:DRC:08250054

**Report From**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
(\$25,000 or Greater and Longer than Three Months)

|                                                                                                                                                                              |                   |                                                                                                   |                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------------------------------------------------------------------------------------------|----------------------------------|
| To:<br>Mayor                                                                                                                                                                 | Date:<br>04-17-25 | C.D. No.<br>10                                                                                    | CAO File No.:<br>0150-12964-0000 |
| Contracting Department/Bureau:<br>Department of Cultural Affairs                                                                                                             |                   | Contact:<br>Yvonne Farrow                                                                         |                                  |
| Reference: Transmittal dated November 14, 2024 from the Department of Cultural Affairs requesting approval of the proposed agreement with Where Art Can Occur Theatre Center |                   |                                                                                                   |                                  |
| Purpose of Contract: Co-management and co-operation of the Vision Theatre Performing Arts Center                                                                             |                   |                                                                                                   |                                  |
| Type of Contract:<br>(X) New contract<br>( ) Amendment, Contract No.                                                                                                         |                   | Contract Term Dates:<br>July 1, 2025 – June 30, 2030 with two additional 5-year options to renew. |                                  |
| Contract/Amendment Amount: \$0                                                                                                                                               |                   |                                                                                                   |                                  |
| Proposed amount \$ 0 + Prior award(s) \$ 0 = Total \$ 0                                                                                                                      |                   |                                                                                                   |                                  |
| Source of funds: Not applicable                                                                                                                                              |                   |                                                                                                   |                                  |
| Name of Contractor: Where Art Can Occur Theatre Center                                                                                                                       |                   |                                                                                                   |                                  |
| Address: 5144 Lankershim Boulevard, LA, CA 91601                                                                                                                             |                   |                                                                                                   |                                  |
|                                                                                                                                                                              | Yes               | No                                                                                                | N/A                              |
| 1. Council has approved the purpose                                                                                                                                          |                   | X                                                                                                 |                                  |
| 2. Appropriated funds are available                                                                                                                                          |                   |                                                                                                   |                                  |
| 3. Charter Section 1022 findings completed                                                                                                                                   |                   |                                                                                                   | X                                |
| 4. Proposals have been requested                                                                                                                                             | X                 |                                                                                                   |                                  |
| 5. Risk Management review completed                                                                                                                                          | X                 |                                                                                                   |                                  |
| 6. Standard Provisions for City Contracts included                                                                                                                           | X                 |                                                                                                   |                                  |
| 7. Workforce that resides in the City: %                                                                                                                                     |                   |                                                                                                   |                                  |
| 8. Business Inclusion Program                                                                                                                                                | X                 |                                                                                                   |                                  |
| 9. Equal Benefits & First Source Hiring Ordinances                                                                                                                           | X                 |                                                                                                   |                                  |
| 10. Contractor Responsibility Ordinance                                                                                                                                      | X                 |                                                                                                   |                                  |
| 11. Disclosure Ordinances                                                                                                                                                    | X                 |                                                                                                   |                                  |
| 12. Bidder Certification CEC Form 50                                                                                                                                         | X                 |                                                                                                   |                                  |
| 13. Prohibited Contributors (Bidders) CEC Form 55                                                                                                                            | X                 |                                                                                                   |                                  |
| 14. California Iran Contracting Act of 2010                                                                                                                                  |                   |                                                                                                   | X                                |

**RECOMMENDATIONS**

That the Council:

- 1) Approve, and authorize the General Manager of the Department of Cultural Affairs, or designee, to execute, the proposed agreement with Where Art Can Occur (WACO) Theatre Center for the co-management and co-operation of the Vision Theatre Performing Arts Center, at no cost to the City, and for an initial term of five years with two additional five-year options to renew, subject to the approval of the City Attorney as to form; and,
- 2) Instruct the Department of Cultural Affairs to work with the Office of the City Administrative Officer to identify funds for security services at the Vision Theatre Performing Arts Center as required in this proposed Agreement.

**SUMMARY**

The Department of Cultural Affairs (Department) requests authority to execute a proposed agreement with the WACO Theatre Center for the co-management and co-operation of the Vision Theatre Performing Arts Center at no cost to the City for an initial term of five years, with two additional five-

Type text here

|                |         |          |                             |
|----------------|---------|----------|-----------------------------|
| Daniela Cuevas |         |          | <i>Malaika Billups</i> for  |
| DRC            | Analyst | 08250054 | City Administrative Officer |

year options to renew. The services to be rendered by the WACO Theatre Center in relation to the scope of work in the proposed Agreement will be at no cost to the City.

## Selection Process

On September 21, 2021, the Department advertised a Request for Proposals (RFP) for the management, operations, programming, and engagement of the Vision Theatre Performing Arts Center on the Regional Alliance Marketplace for Procurement (RAMP) with a proposal due date of December 17, 2021. On December 7, 2021, the Department published a notice on RAMP of its intention to extend the proposal due date to February 4, 2022 as a result of intended changes to the RFP requirements. On December 17, 2021, the Department published an addendum on RAMP requiring proposers to refer to the revised RFP. In addition, the addendum also provided information regarding an optional meeting on January 6, 2022 for an RFP proposer update, and a mandatory pre-conference meeting/site visit on January 7, 2022 for those who did not attend one of the two mandatory conference meetings held prior to the City's determination to change the proposal due date.

The Department received a total of six proposals. Two proposers, Cultural Literacy Intelligence Foundation Federation (CLIFF) and The House of Infinite Ability Youth Foundation, Inc. (THIAYF) failed Level I of the proposal evaluation process for missing required documentation in their proposal submissions. The remaining proposers were advanced towards Level II. The higher ranked proposers were subsequently invited to an interview. The following table summarizes the averaged points received by each proposer. The evaluation criteria, as provided in the RFP, is shown below the table.

Table 1. Summary of Average Points by Proposer

| Proposer             | Level I    | Level II | Interview |
|----------------------|------------|----------|-----------|
| Brotherhood Crusade  | Pass       | 76.5     | 73        |
| Center Theatre Group | Pass       | 83       | 80        |
| CLIFF                | Incomplete | -        | -         |
| THIAYF               | Incomplete | -        | -         |
| The Ledge Theatre    | Pass       | 55.5     | -         |
| WACO Theatre Center  | Pass       | 79.5     | 86        |

- A – Artistic Programming/ Local Artist Engagement/ Community Stakeholder engagement (max 20 points)
- B - Financial Capacity (max 20 points)
- C - Facility Needs Assessment / Management and Operation Plan (max 15 points)
- D - Creative Youth Development Plan (max 10 points)
- E - Marketing and Development Plan (max 10 points)
- F - Concession/Merchandise/Beverage/Ticketing Operation (max 10 points)
- G - Community Accessibility and Job Training (max 15 points)

## Appeals Process

On December 12, 2022, the Department notified all six proposers of the conclusion of its selection process and provided non-selected proposers the opportunity to submit an appeal within five (5) calendar days. After conferring with the City Attorney, the Department reopened the appeals process

on January 31, 2023 and allowed for an additional five (5) business days to submit appeals. In accordance with the requirements delineated in the RFP, the appeal must be based on procedural issues but cannot be based on non-selection alone or disagreement with the award of the contract. Three of the four qualified proposers who were not selected submitted an appeal. The basis of the proposers' appeals and the Department's response are summarized below.

#### Brotherhood Crusade

On January 18, 2023, the Brotherhood Crusade submitted correspondence indicating their disagreement with the City's evaluation and requested additional documentation to review to determine a basis for their appeal. On February 4, 2023, the Department received notification from Brotherhood Crusade's legal representative appealing the City's evaluation on the following basis:

- (1) Council adopted motion dated July 29, 2020 (C.F. 20-0932) directing the negotiation of a sole sourced agreement with Brotherhood Crusade for the operation of the Vision Theatre.
- (2) The Department incorporated concepts and approaches submitted by the Brotherhood Crusade in its management proposal to the City Council into the Department's RFP.
- (3-4) The City failed to complete the negotiation of a sole source agreement as directed in the Council motion (C.F. 20-0932).
- (5) RFP did not clearly define the term "procedural issues."
- (6) The City did not disclose the score sheets.
- (7) The City did not allow sufficient time for proposers to respond to the appeal.

On March 10, 2023, the Department denied the Brotherhood Crusade's appeal. The Department's response is summarized below with the numbering aligned to the basis of appeal used in the paragraph above.

- (1,3,4) The Department was unable to justify entering into a sole sourced agreement. Therefore, it entered into a competitive proposals process as provided in the City's Charter Section 372. The City is not contractually bound until a contract has been approved and executed by the appropriate authorities.
- (2) The Department did not receive a copy of the management proposal discussed in the appeal.
- (5) The term "procedural issues" is used in its plain meaning wherein RFP appeals can be made on matters related to the procedures and steps used to carry out the RFP competitive process.
- (6) The score sheets are confidential until the awarded contract has been approved by the relevant authorities. In addition, the information on the score sheets cannot be used as the basis of an appeal since an appeal on the basis of the proposer's score is non-procedural in nature. The City's selected evaluators have absolute discretion over their determination of the merits of the proposals submitted.

#### Center Theatre Group (CTG)

On February 9, 2023, the CTG requested an extension indicating that they did not receive the emailed notice until February 8<sup>th</sup>. On February 17, 2023, the Department denied this request as the extended appeal response deadline was February 7, 2023.

Cultural Literacy Intelligence Foundation Federation (CLIFF)

On February 3, 2023, the CLIFF submitted an appeal on the following basis:

- (1) The City's email was inaccessible for part of February 4, 2022, the proposal due date.
- (2) The City should have provided other means of proposal submission.
- (3) The City should have been open to greater collaboration opportunities.

On March 10, 2023, the Department denied the appeal and informed CLIFF that it was deemed non-responsive because of an incomplete proposal submission. The Department's response is summarized below with the numbering aligned to the basis of appeal used in the paragraph above.

- (1) The City's email was functional as evidenced by multiple submissions by other organizations on February 4, 2022, the proposal due date.
- (2) The City provided clear submittal instructions and due dates in the RFP, but did not receive an alternative proposal submittal accommodation request.
- (3) The City cannot suggest or facilitate collaborations during the RFP process.

The House of Infinite Ability Youth Foundation, Inc. (THIAYF)

On February 6, 2023, the THIAYF submitted an appeal indicating that "the judgement of the original submission was not clarified nor did [it] receive a letter regarding [non-selection]." THIAYF reiterated the merits of its proposal and collaborators.

On March 10, 2023, the Department denied the appeal, informed THIAYF that it was deemed non-responsive because of an incomplete proposal submission. The Department also responded to THIAYF's correspondence by explaining that submitted proposals are evaluated based on what's stated in the RFP and that written appeals cannot introduce additional information not provided in the submitted proposal.

**Proposed Scope of Work**

The proposed Agreement outlines the terms and conditions through which the Vision Theatre Performing Arts Center (VISPACE) will be co-operated and co-managed between the City and the WACO Theatre Center. The term of the proposed Agreement will be for five years with two five-year options to extend at the Department's General Manager's discretion. VISPACE is anticipated to re-open in the 2025 summer season.

The WACO Theatre Center (Contractor) will be overseeing year-round theatrical programming, youth arts education and job training, community engagement, fundraising, and management of the VISPACE front-of-house. Contractor will receive no monetary compensation from the City for the performance of work related to this proposed Agreement. The Contractor shall have authorized use of designated VISPACE premises as outlined in Section 4 of the proposed Agreement. The Contractor shall ensure that the organization follow best practices to remain fiscally responsible, have exclusive concession rights, inform the Department on marketing and promotional events, submit operating budget plans and reports, raise funds to offset VISPACE rental fees for community gatherings and programming, engage the community, maintain the daily cleanliness of the facility, and provide security during events programmed by the Contractor. In addition, the Contractor shall also transmit various plans, the majority of which are outlined in Section 7 of the proposed Agreement, for various activities including but not

limited to engagement strategies to involve the community, ensuring access for various stakeholders, staffing plan, proposed rental rates, fundraising plans, and a business plan.

The proposed Agreement also stipulates requirements regarding ticket sales for the facility. The Contractor shall ensure that at least 25 percent of the tickets for events produced by the Contractor are available at a reduced price to ensure community access. However, facility renters for commercial productions may set their own ticket prices, but the Contractor will negotiate in good faith with commercial renters to provide accessible tickets. Five percent of each full-priced ticket sold shall be used to provide programming, education, or training in the profession of stage crafts. Gross revenues from the Contractor's fundraising activities may only be used for VISPAC related activities and facility improvements. It should be noted that because the Community Development Block Grants (CDBG) Program partially funded the improvements to the Vision Theatre, any revenue received above actual expenses shall be returned to the US Department of Housing and Urban Development. Specifically, this applies to revenue from fundraising which occurs in the VISPAC. The Contractor shall also charge, collect, and pay to the City a \$2.00 facility cost recovery charge on all tickets sold for admission.

The proposed Agreement also strives to ensure continued availability of VISPAC to the community by providing for a total of 90 community and youth programming production days and 90 city and Department production days. WACO will also have 90 production days in addition to 90 commercial production days. City approval will be required to transfer unused production days between the different categories.

The City shall be responsible for facility oversight, technical theatre operations, including back-of-house equipment, management of City staff, utilities, building maintenance, and security services during the VISPAC's normal operating hours.

The Department reports that it already has the necessary funded positions in its 2024-25 Adopted Budget to fulfill back-of-house responsibilities as outlined in the proposed Agreement. Funding for building maintenance, custodial services, and utilities are limited to the amount appropriated to the Department of General Services for this purpose, and may be insufficient if actual utilities used and maintenance needs exceed available funds. In addition, security services, estimated at \$130,000 annually for two unarmed officers during VISPAC normal operating hours, are currently unfunded City commitments proposed in this Agreement. Prior year funds in the amount of \$200,000 is available within the Capital Improvement Expenditure Plan from the Arts and Cultural Facilities and Services Trust Fund for security services. In addition, the \$2.00 facility cost recovery charge on all tickets sold for admission may also be considered as a source of funds for ongoing security services costs. However, the Department estimates that theatre programming will not begin until March 2026, therefore, the sufficiency of revenues received through the facility cost recovery charge as an ongoing source of revenue can be better assessed for the Fiscal Year 2026-27.

In accordance with Los Angeles Administrative Code Section 10.5(a), City Council approval is required because the proposed Agreement exceeds three years.

## **FISCAL IMPACT STATEMENT**

There is no cost to the City for the WACO Theatre Center to co-manage the VISPAC. However, the City will incur ongoing costs for security services, estimated at \$130,000 annually. Further, there will also be an additional fiscal impact to the City for building maintenance, custodial services, and utilities

(water and electricity) if actual expenditures exceed current appropriations. The amount of these latter costs will not be known until the facility is operational. The Department has identified prior year funds in the amount of \$200,000 within the Capital Improvement Expenditure Plan from the Arts and Cultural Facilities and Services Trust Fund for the first year of security services. Should the Arts and Cultural Facilities and Services Trust Fund or revenues be unavailable to offset all of the above costs, there will be an impact to the General Fund. Ongoing funding will need to be identified as part of the City's annual budget process.

## **FINANCIAL POLICIES STATEMENT**

The recommendations in this report are in compliance with the City's Financial Policies in that future year expenditure requirements are being considered in this multi-year agreement. In addition, to the extent possible, ongoing revenues will be used to fund ongoing expenditures.

*MWS:DRC:08250054*

**AGREEMENT**

**FOR**

**CO-MANAGEMENT AND CO-OPERATION OF THE  
VISION THEATRE PERFORMING ARTS CENTER**

**Between**

**THE CITY OF LOS ANGELES DEPARTMENT OF CULTURAL AFFAIRS (DCA)**

**And**

**WHERE ART CAN OCCUR THEATER CENTER (WACO)**



**11/07/2024**

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**ATTACHMENT A –Standard Provisions for City Contracts (Rev. 1/25[v.2]) *Remediated 2-19-25***

**ATTACHMENT B – Community Development Block Grant Requirements**

**EXHIBIT 1. HISTORIC FEATURES OF THE LEIMERT THEATRE/ VISION THEATRE**

**EXHIBIT 2. ADJACENT VISPAC PARKING LOT 626 AND PARKING LOT 764**

**EXHIBIT 3. MAP OF VISPAC AND PREMESIS**

**EXHIBIT 4. ZERO WASTE ORDINANCE 187718**

**EXHIBIT 5. DISPOSABLE FOODWARE ACCESSORIES ORDINANCE 187030**

**EXHIBIT 6. VISPAC DESIGNATED OFFICE SPACE**

**EXHIBIT 7. NON-EMPLOYEE ACCIDENT OR ILLNESS REPORT**

**EXHIBIT 8. SPECIAL OCCURRENCE AND LOSS REPORT**

**AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND  
WHERE ART CAN OCCUR THEATER CENTER (WACO)  
FOR CO-MANAGEMENT, CO-OPERATION,  
PROGRAMMING, AND ENGAGEMENT  
OF THE VISION THEATRE PERFORMING ARTS CENTER (VISPACE)**

This AGREEMENT is made by and between the CITY OF LOS ANGELES, a municipal corporation (CITY), acting by and through its Department of Cultural Affairs, and Where Art Can Occur Theater Center (CONTRACTOR).

**WITNESSETH**

WHEREAS, the Vision Theatre was acquired by the CITY in 1997 with the goal of providing world-class performances and serving as a significant cultural anchor and artistic hub for the local community and City of Los Angeles, as well as a major national and international theatrical destination; and

WHEREAS, the CITY seeks a well-qualified business/ non-profit entity to serve as venue partner operator/ programmer to co-manage and co-operate the Vision Theatre Performing Arts Center (VISPACE) in the vibrant and historic Leimert Park Village neighborhood of South Los Angeles, Council District 10; and

WHEREAS, CITY seeks a hybrid venue model of management with CONTRACTOR overseeing year-round theatrical programming, youth arts education and job training, community engagement, fundraising, and management of the Vision Theatre's Front-of-the-House; and

WHEREAS, CITY issued a Request for Proposal (RFP) on September 20, 2021, to evaluate proposals based upon the criteria included in the RFP; and

WHEREAS, with the removal of the Proposition K component of the RFP, DCA revised the RFP and CITY re-released the RFP for the co-management, co-operation, programming and engagement of the Vision Theatre on December 17, 2021; and

WHEREAS, CITY received and evaluated six proposals from theater management companies and panel convened to select the successful bidder; and

WHEREAS, CONTRACTOR received the highest score and was recommended and selected to co-manage the VISPACE in accordance with this AGREEMENT'S terms and conditions; and

WHEREAS, CONTRACTOR desires to enter into such AGREEMENT to partner with the CITY as co-managers to provide the public with premium, high-quality programming, patron, and community services at the VISPACE; and

NOW THEREFORE, in consideration of the terms, covenants and conditions hereafter to be kept and performed by the respective Parties, it is agreed as follows:

## SECTION 1. DEFINITIONS

For the purpose of this AGREEMENT, the following words and phrases are defined and shall be construed as hereinafter set forth:

|                           |                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ADDITIONAL PARKING SITES  | Parking areas as specified in Section 4.                                                                                                                                                                                                                                                                                                                                                          |
| AGREEMENT                 | This agreement consists of 33 pages, plus Attachments A and B, and Exhibits 1 - 6 attached hereto.                                                                                                                                                                                                                                                                                                |
| BACK OF HOUSE (BOH)       | Operations of all theatrical equipment inside the audience chamber and backstage, including audio, visual and lighting (A/V + L), sound and lighting boards, soft goods (curtain, wings) and scenery, technical operators, stage manager(s), and crew.                                                                                                                                            |
| CITY or DEPARTMENT        | The City of Los Angeles or Department of Cultural Affairs (DCA).                                                                                                                                                                                                                                                                                                                                  |
| CITY'S OPERATING EXPENSES | Shall consist of: 1) Building maintenance and repair costs; 2) REIMBURSABLE EXPENSES; 3) CITY'S FF&E COSTS; 4) general security; and 5) utilities including WIFI. CITY's Operating Expenses shall be calculated in compliance with this AGREEMENT, Generally Accepted Accounting Principles (GAAP), City Controller's policies and procedures, the City Charter, and the LAAC.                    |
| CITY's FF&E COSTS         | CITY'S costs to equip the VISPAC with sufficient furnishings, fixtures and equipment to allow operation of the VISPAC, which does not include CONTRACTOR'S management and staffing costs, and CONTRACTOR'S OFFICE furnishing costs.                                                                                                                                                               |
| CO-DIRECTORS              | CITY assigned staff person and CONTRACTOR assigned staff person who co-manage the VISPAC.                                                                                                                                                                                                                                                                                                         |
| CONCESSION:               | Food and drink sold in VISPAC and managed by the CONTRACTOR; the permitted operation granted by this AGREEMENT.                                                                                                                                                                                                                                                                                   |
| CONTRACTOR                | Where Art Can Occur Theater Center ("WACO"), serves VISPAC as (1) co-manager which includes programming in-house, local and commercial theatrical productions; youth arts education and job training; fundraising; community engagement; and (2) co-operator which includes Front-of-House (FOH), i.e. box office, house management, concessions, custodial services, parking and event security. |
| CONTRACTOR OFFICE COSTS   | Off-site offices at CONTRACTOR'S own expense.                                                                                                                                                                                                                                                                                                                                                     |
| DCA                       | The Department of Cultural Affairs, which serves as CITY liaison, and provides facilities management, theater (stage) operations and Back-of-House (BOH) services for VISPAC.                                                                                                                                                                                                                     |
| FACILITY                  | Vision Theatre Performing Arts Center, located at 3341 West                                                                                                                                                                                                                                                                                                                                       |

43rd Place, Los Angeles, CA 90008.

|                       |                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FRONT OF HOUSE (FOH)  | Day to day public facing operation of the theater which includes upkeep of the venue; daily custodial services; the running and management of the box office including ticket sales, merchandising, concessions; theater staffing; and ensuring the health and safety of the audience and visitors.                                                                                                                                    |
| FF&E                  | Furniture, fixtures, and equipment.                                                                                                                                                                                                                                                                                                                                                                                                    |
| HYBRID VENUE MODEL    | Shared partnership model where CITY and CONTRACTOR co-manage and co-operate a City-owned venue.                                                                                                                                                                                                                                                                                                                                        |
| IN-HOUSE              | Of or relating to goods or services provided by CONTRACTOR, i.e., programming or productions produced by WACO, community and youth education and programming, and/or job training.                                                                                                                                                                                                                                                     |
| LAAC                  | City of Los Angeles Administrative Code.                                                                                                                                                                                                                                                                                                                                                                                               |
| LADOT                 | City of Los Angeles Department of Transportation.                                                                                                                                                                                                                                                                                                                                                                                      |
| LAMC                  | City of Los Angeles Municipal Code.                                                                                                                                                                                                                                                                                                                                                                                                    |
| PEOPLE STREET         | People Street, a City of Los Angeles initiative, is a community-driven LADOT program that installs low cost, semi-permanent projects -- parklets, plazas, colorful intersections, and bike parking -- to improve neighborhood safety and transform streets into vibrant, active, accessible public spaces for people. A People Street space exists outside of and in the front of VISPAC stretching from Leimert to Degnan Boulevards. |
| PREMISES              | The VISPAC building, Parking Lot 626 adjacent to the building, Parking Lot 764 directly behind the building, the egress walkways on the east and west sides of the building, and the terrazzo portico just under the marquee, parallel to People Street.                                                                                                                                                                               |
| REIMBURSABLE EXPENSES | A purchase or operating expense paid by the CONTRACTOR on behalf of the CITY, including but not limited to maintenance costs or facility repair.                                                                                                                                                                                                                                                                                       |
| STAFFING COSTS        | All of CONTRACTOR's costs related to providing personnel for theatrical production, management and programming, fundraising, marketing functions and FOH required positions.                                                                                                                                                                                                                                                           |
| THEATRICAL SEASON     | Production period within the yearly programming schedule.                                                                                                                                                                                                                                                                                                                                                                              |
| VISPAC                | Vision Theatre Performing Arts Center; a multi-use performance space that is intended for use by various types of performing arts, including dance, music, theater and film. The space may also be used for community gatherings, meetings and celebrations.                                                                                                                                                                           |

## SECTION 2. REPRESENTATIVES OF THE PARTIES AND SERVICE OF NOTICES

### A. Representatives of the Parties and Service of Notices

#### 1. Parties to the AGREEMENT:

- a) The City of Los Angeles, a municipal corporation, chartered by the State of California acting by and through its Department of Cultural Affairs (DCA);
- b) Where Art Can Occur Theater Center (WACO), a Los Angeles area-based non-profit public benefit corporation as defined by Section 501(c)(3) of the United States Internal Revenue Code.

#### 2. The representatives of the respective parties authorized to administer this AGREEMENT, and to whom formal notices, demands, and communications shall be given are as follows:

- a) The representative of the CITY shall be, unless otherwise stated in this AGREEMENT:

Daniel Tarica, General Manager  
Department of Cultural Affairs  
201 North Figueroa Street, Suite 1400  
Los Angeles, CA 90012  
Phone: (213) 202-5500

- b) The representative of the CONTRACTOR shall be:

Shay Wafer, Executive Director  
Where Art Can Occur WACO  
5144 Lankershim Boulevard  
Los Angeles, CA 91601  
Phone: (818) 400-1151

- 3. Formal notices, demands, and communications required hereunder by either party shall be made in writing and may be affected by electronic mail, personal delivery, registered or certified mail, postage prepaid, or return receipt requested, and shall be deemed communicated as of the date of mailing or emailing.
- 4. Representative of the CONTRACTOR shall be the person designated as "Contact Person" for the person or organization as detailed on the City's Regional Alliance Marketplace for Procurement (RAMP) account. The name and contact information of that person must appear on the City's RAMP registry, <https://www.rampla.org>, prior to the execution of this AGREEMENT. If the name of the person designated as CONTRACTOR's contact to receive notices, demands, or communications, or if the address of such person is changed, written notice shall be given within five (5) business days.

### **SECTION 3. TERM**

The term of the AGREEMENT ("TERM") shall be five (5) years, plus two five-year extensions options exercisable at the DCA General Manager's sole discretion on 180 days' prior written notice, commencing on \_\_\_\_\_ and terminating on \_\_\_\_\_.

The CONTRACTOR shall begin the planning phase upon execution of this AGREEMENT, as delineated in Section 6. However, there will be limited access to the VISPAC between the signing of this AGREEMENT and completion of construction. A soft opening including, but not limited to, testing of equipment and practice performances, shall occur on or around \_\_\_\_\_. Full occupation of the VISPAC shall precede a suggested grand re-opening in the 2025 summer season.

Neither CITY, nor any officer, or employee thereof shall be liable to CONTRACTOR in excess of the then-applicable CITY'S OPERATING EXPENSES because of any action taken to terminate the AGREEMENT early pursuant to Section PSC-9 of the CITY's Standard Provisions for City Contracts. In addition, neither CITY, nor any officer, or employee thereof shall be liable to CONTRACTOR for any reason because of an action to decline to exercise the five-year extension options or disapprove renewal of the AGREEMENT.

### **SECTION 4. PREMISES**

The PREMISES authorized for use by CONTRACTOR shall only include:

- VISPAC building: Designated office space, upper and lower lobbies (concession), auditorium, backstage, dressing rooms, green rooms, storage, loading dock
- Egress walkways on the east and west sides of the building
- Terrazzo portico just under the marquee, parallel to People Street.

The CONTRACTOR will have oversight of the FOH and CITY will have oversight of the BOH.

All the areas of VISPAC that were rehabilitated in conformance with Section 106 of the National Historic Preservation Act shall not be altered. The CONTRACTOR agrees to work in partnership with the CITY regarding the protection and enhancement of the historic elements of the theater (Exhibit 1), and regular inspections by the Department of Cultural Affairs, or other appropriate CITY departments, to review the maintenance of those elements will be done. CITY will provide 48-hour notice when possible.

If the CONTRACTOR desires to alter non-historic portions of the theater, written permission by the CITY will be required with a 30-day notice.

CONTRACTOR shall not use or permit the PREMISES to be used, in whole or in part, for any other purpose other than as outlined in this AGREEMENT except with prior written consent of CITY following receipt of a 60-day notice; nor allow any use in violation of any present or future laws, ordinances, rules and regulations relating to sanitation or the public health, safety or welfare of operations at, or in connection with, the use of the PREMISES. CONTRACTOR expressly agrees at all times, to maintain, use and operate the PREMISES in a safe, clean, wholesome and sanitary condition, and in compliance with any all present and future laws ordinances and rules and regulations relating to public health, safety, or welfare and CITY standards and directives.

Public Parking Lots 626 and 764 adjacent to the VISPAC shall be managed by the CITY. Contractor shall coordinate with the CITY to request parking attendant services for special events at the VISPAC.

(Exhibit 2). Additional parking lots with neighborhood facilities may be identified to support VISAPAC operating needs.

CITY undertakes and agrees to deliver to CONTRACTOR access to the PREMISES, in partnership occupancy with CITY, further described in this AGREEMENT for use by CONTRACTOR and CITY in accordance with this AGREEMENT. (Exhibit 3).

## **SECTION 5. PURPOSE OF AGREEMENT**

- A. This AGREEMENT governs the terms of the operation of the facility, in partnership with the CITY, as an open venue for theatrical rentals, dance and music concerts, film screenings, event or convention rentals, residencies, community theater/life events, meetings, youth arts education and job training on a year-round basis.
- B. The CITY hereby grants CONTRACTOR, subject to this AGREEMENT's terms and conditions, the right to provide operational oversight and coordinated venue management of VISAPAC; to act as CITY'S agent in the programming, FOH management and engagement of the facility; and abide, under the direction of CITY, with respect to BOH operations of the facility.

CONTRACTOR shall:

1. Support the arts by becoming a home for leading, world-class performing artists, while anchoring and nurturing established and emerging Los Angeles-based artists, arts, and service organizations with a primary focus on the communities in Leimert Park and South Los Angeles;
2. Provide a creative center for diverse cultural talent reflective on and off the stage, through equitable and inclusive hiring practices utilizing the CITY's Economic and Workforce Development Department (EWDD) where possible; provide youth education and job training in theater arts and stagecraft as required by federal CDBG requirements as outlined in Attachment B: Community Block Grant Requirements, attached hereto and incorporated by reference; seek community and commercial theater rentals/ events; and IN-HOUSE and local artist programming;
3. Maximize VISAPAC as a community engagement resource and symbol of cultural pride, through the programming of diverse world-class theater, music, dance and film productions, along with offering educational and a variety of cultural forums;
4. Serve as a center for community celebration, in-gathering, equity, social justice and cultural connection; provide opportunity, engagement and partnership to artists, youth and community-based organizations; deliver high-quality, culturally-sensitive programming at affordable rates and prices;
5. Use the VISAPAC as an anchor and catalyst for economic development and revitalization of Leimert Park Village and South Los Angeles;
6. Assist DCA in continuing to promote and brand VISAPAC as a global center for world-class artistic expression and performing arts opportunities, reaffirming its place as a hub of cultural activity;

7. Steward CITY'S significant capital investment in partnership by ensuring the VISPAC'S building is well maintained, advanced technology and equipment are safe and clean, and renovation of the theater is preserved, to ensure the facility will continue to serve as an historical cultural asset;
8. Be a good neighbor-- responding to the community with care and consideration as a representative of the CITY and a major stakeholder in the community.
9. Not have any conflict of interest with the CITY which substantially limits the ability of the CITY to exercise its rights under the AGREEMENT.

## **SECTION 6. COMPENSATION TO CONTRACTOR**

The CONTRACTOR will receive no compensation from the CITY for the activities performed in connection with this AGREEMENT.

Improvements to the Vision Theatre are funded in part through the federal Community Development Block Grants (CDBG) Program administered by the U.S. Department of Housing and Urban Development (HUD). HUD requires any revenue above actual expenses raised at the VISPAC, including revenue from onsite fundraising activities, be returned to HUD through the CITY's Community Investment for Families Department (CIFD), which administers CDBG funds for the CITY.

## **SECTION 7. PLANNING-PHASE DELIVERABLES**

The CONTRACTOR shall provide facility stewardship; financial management; fundraising; the creative team; FOH staffing and supervision; and community, civic and commercial rental programming of the VISPAC; and production security for every event programmed by the CONTRACTOR, including theater rentals, during the TERM of the AGREEMENT. DCA's Co-Director may assist where needed.

- A. Within nine (9) months of executing the AGREEMENT, the CONTRACTOR will deliver to the CITY the following plans, and subsequent reports at six-month intervals, from the date of the execution of this AGREEMENT:
  1. Community Partnership Plan: An engagement strategy to work with artists, arts organizations, schools/youth, property owners, merchants, stakeholders, vendors, elders, service organizations, neighborhood organizations, restaurants and business owners in Leimert Park Village and the surrounding neighborhood. This tactical plan will communicate major initiatives and scheduled events that both maximize the use of the VISPAC and reduce congestion, addressing systemic issues in the surrounding community, which include Americans with Disabilities Act (ADA) compliance, disparities among Angelenos, wayfinding, safety/security, and sanitation.
  2. Community Gatherings Plan: A plan for principal users'/community anchor organizations and stakeholders to rent the theater and lobby spaces as needed, with a proposed plan to ensure access for use of designated areas of the PREMISES that fairly weighs the needs of local performing arts organizations, youth development programs, and for-profit/commercial rentals, community health, wellness and engagement, and social justice. The plan should include a strategy for addressing all disability services and ADA requirements.

3. Youth Programming and Development Plan: Create opportunities within the year-round theatrical season for community-supported performing arts programming and youth development, which meet federal CDGB requirements, as defined in Attachment B, that include an emphasis on supporting performing artists, technical training, creative cultural production, stagecraft, job creation, and economic advancement.
4. Local Artist Programming Plan: Create opportunities within the year-round theatrical season for local artists, i.e., community theater, and arts organizations to rent the VISPAC at an affordable rate. Create criteria as well as a cost-effective plan for local talent to showcase their work.
5. IN-HOUSE Programming Plan: Create opportunities within the year-round THEATRICAL SEASON dedicated to WACO programming.
6. DCA Programming and City Days Plan: Create opportunities within the year-round THEATRICAL SEASON dedicated to CITY Days (CITY programming), and DCA'S Performing Arts Division programming (Leimert Park Cultural Hub).
7. Commercial Rentals Plan: Receive and seek local, national and international show rentals as part of the year-round VISPAC THEATRICAL SEASON.
8. Staffing Plan: A comprehensive framework for addressing personnel and maintaining venue standards at VISPAC, including sequencing recruitment, and hiring of distinctive local labor, as well as a budget and timeline for acquiring the necessary artists' amenities to maintain a world class performing arts center. This report must itemize projected budget shortfalls, and provide potential solutions to closing those gaps.
9. Building Plan: Proposed facility purchases and recommendations for enhancements to FF&E.
10. Custodial Plan: A plan for professional cleaning services for the VISPAC, which shall include daily cleaning and vacuuming of the offices, auditorium, restrooms, lounge, lobbies, dressing rooms, greenroom, backstage area; and daily trash pick-up and maintenance by FOH.
11. Parking Plan: A plan for additional parking and transportation needs for the VISPAC, demonstrating the accommodation of larger audiences, artists, crew, and staff. Plan may also include the implementation of a shuttle program from local parking lots to VISPAC, in conjunction with support of the entities surrounding Leimert Park Village.
12. Security Plan: A production security plan addressing security screening, venue crowd control inside and outside the PREMISES, illegal merchandise vending, ticket scalping, alcohol/drug use, and littering. At a minimum the Security Plan shall:
  - a. Provide sufficient contracted security at key locations inside and outside the PREMISES.
  - b. Provide other services directly related to parking, security, and clean-up in areas immediately around the PREMISES.

13. Rental Rates Plan: Establish rental rates according to subsection H of Section 8 below.
14. Metrics Plan: A projected performance metrics for the proposed first-year schedule, until actual metrics become available, that details:
  - o Number of events/ performances
  - o Number of participants (audience)
  - o Number of artists
  - o Number of staff

Future metrics will include collection of demographic information via survey for data of not only the audience, but performers, staff, vendors and subcontractors.

15. Business Plan: CONTRACTOR shall include a one-year comprehensive management and operations plan taking into account all expenses and income during a start-up year for managing the venue, including a beverage/concessions/merchandise/alcohol operating plan, as well as identifying primary personnel, including an organizational chart and staff positions, and job responsibilities.
16. Fundraising/Development Plan: CONTRACTOR must design a comprehensive plan for fundraising including, but not limited to, raising funds, procuring sponsors, foundational support, major gifts, memberships, and projected gifts. Funds shall be applied to subsidizing youth and community programming, education and training in stage crafts that lead to jobs in the arts, as well as facility improvements. Development may not include name plaques or other elements affixed to the historical building.
17. Revenue and Expense Projections Plan: CONTRACTOR shall submit an independently audited financial report for the first complete fiscal year of operation with anticipated income and operating cost assumptions, including reflecting gaps that may require additional resources, funding and/or operating partners.

## **SECTION 7.1 CITY APPROVAL OF REPORTS AND PLANS**

The CITY shall review and approve all submitted plans and subsequent reports, as outlined in this section and throughout the Agreement, prior to CONTRACTOR implementing or initiating any changes to operations as described in those reports or plans. The CITY will not unreasonably withhold approval and will work collaboratively with the CONTRACTOR to resolve any issues of concern. Unless otherwise notified, reports and plans will be deemed approved 30 days after receipt by the designated CITY personnel, provided they are submitted through the method of transmission agreed upon by the CITY and CONTRACTOR.

## **SECTION 8. CITY SERVICES AND OPERATING RESPONSIBILITIES**

The CITY shall provide facility oversight, technical theater operations, including BOH equipment, management of CITY staff, and overall stewardship and building maintenance of VISAPAC throughout the TERM. The CITY will maintain control over the PREMISES, which includes the requirement that the CITY approve the budget for the management of the PREMISES and capital expenditures with

respect to the PREMISES and the labor rates charged for the services provided at the facility for BOH services by CITY employees.

A. The CITY shall:

1. Insure the property, including the physical building and all property inside, via the City's Self-Insured Program. In addition, the CONTRACTOR shall provide and maintain throughout the entire TERM, and at CONTRACTOR'S expense, insurance coverage as required in PSC-23 of the Standard Provisions for City Contracts, and specified via the Form 146IR (Attachment A).
2. Bear the risk of loss upon damage or destruction of the FACILITY under normal wear and tear, except for damages caused by the CONTRACTOR and/or renters.
3. Work with Council Offices, Los Angeles Police Department ("LAPD"), Los Angeles Fire Department (LAFD), Los Angeles Homeless Services Authority (LAHSA), Bureau of Street Services (Streets LA), Department on Disability (DoD), Los Angeles Department of Water and Power (LADWP), Bureau of Sanitation (LASAN), Los Angeles Department of Transportation (LADOT), and General Services Department (GSD), as well as Historic Landmark Programs and other departments/offices as applicable for management and maintenance of the PREMISES.
4. Perform annual Fire Protection and Fire Life Safety Equipment Inspection for the VISPAC in coordination with LAFD in conformance with LAFD Regulation 4.
5. Provide and maintain administration of the VISPAC's Wi-Fi access and connectivity.
6. Conduct customer/audience/community/artist satisfaction surveys on a semiannual basis measuring the quality of service being delivered to patrons in seven categories: programming, community/youth engagement, FOH, BOH, security, food/beverage, parking, environment, and technology. The survey will be developed by the CITY, agreed to by both parties, and administered by WACO in the form of e-mail messaging, QR codes, website link, or other methods as determined by the CITY. Results will be compiled for evaluation by DCA twice a year.
7. Conduct annual equipment check.
8. Provide and maintain all signage fixed to the PREMISES.
9. In addition to the affixed security cameras, CITY will provide in-person security during normal business hours 9:00 a.m. until 5:00 p.m., Monday through Friday.
10. Provide annual deep cleaning service to the VISPAC.

## **SECTION 9. CONTRACTOR SERVICES AND OPERATING RESPONSIBILITIES**

CONTRACTOR shall, at all times, provide the following services and comply with the following conditions:

**A. Implementation, coordination and enforcement of CITY's HYBRID VENUE MODEL, booking, ticketing and operating documents, policies and procedures.**

1. CONTRACTOR will provide stewardship of the facility as outlined in Section 6 of this AGREEMENT. Promote the theater for use and leverage these resources to bring major events, institutions, commercial promoters, and concert artists to the venue. Implement best business practices that follow industry standards in event contracting and rental agreements. Maintain a yearly report reflecting the number of contracts successfully deployed and a database of all venue users, to be provided to DCA in an annual report. The expectation is that the venue will be available seven days a week.
2. CONTRACTOR will be responsible for coordinating and collaborating with presenters, promoters, agents, producers, community organizations, artists and interested parties to facilitate up to: 90 Commercial production days, 90 WACO Programming production days, 90 Community and Youth Programming production days, and 90 City/DCA production Days, providing a year-round theatrical season at the VISPAAC. If production days go unused, they may be carried over to one of the four categories listed above with the approval of the CITY. Production days include the load-in, tech, show(s) and load-out.
3. CONTRACTOR agrees to use their Venue Management Software (VMS) system, until the CITY's Venue Management Software is made available, to manage, book and coordinate the execution of all events. CONTRACTOR will provide CITY access to all information, including rental and vendor contracts, and databases related to the VISPAAC. All data captured within their Venue Management Software shall be shared with the CITY upon written request.
4. CONTRACTOR shall hire, pay, train and manage all FOH staff including managers, ushers, ticket-takers, registration, artistic staff, event staff and volunteers, and make a good faith effort to support local hiring.
5. CONTRACTOR shall have oversight for all operations that include production security services, daily custodial services, concessions, merchandising, marketing and public relations.
6. CONTRACTOR shall manage and staff the VISPAAC Box Office. No exclusive rights shall be granted to a particular ticketing vendor at VISPAAC unless approved by CITY. A private promoter, agent, or other VISPAAC renter shall have the option to designate and select any ticketing vendor for their respective event, provided that such ticketing vendor meets all CITY requirements.
7. CONTRACTOR shall provide DCA with performance metrics as described in Section 6 on a quarterly basis, and in Attachment B on an annual basis. CONTRACTOR shall provide a narrative describing the types of presentations, target audiences and demographic profile of audience and artists served, and feedback from community and artists about the programs and services twice per year at six-month intervals.

8. CONTRACTOR shall coordinate with the CITY'S CO-DIRECTOR, LAFD, LAPD and CITY on all scheduled events regarding Emergency Management Services and security services required for public protection.
9. CONTRACTOR will at all times be responsible for maintaining public and staff ingress and egress to the facility, as well as work with the community partners overseeing PEOPLE STREET in the scheduling of activities directly outside VISPAC that will impact theatrical events.
10. CONTRACTOR will make the VISPAC available for Community Use up to 90 days of the calendar year and at a rate pursuant to subsection H of Section 9 of this Agreement. Unused days may roll-over to another programming category if needed.

Community Use includes Leimert Park, South L.A. and L.A.-based independent performing artists and arts organizations, Non-Profit/For-Profit agencies, producers, community leaders, stakeholders, cultural/education organizations, K-12 schools, educators, colleges, universities and service organizations. Community Use also encompasses meetings, gatherings, conferences and may include live performances, independent/ student film screenings/production, conferences, and concerts.

11. CONTRACTOR will be required to provide low-income community accessible rates per event. Mid-range and premium rates will be commensurate with the type of event and set at the discretion of the CONTRACTOR.
12. CONTRACTOR will make VISPAC available for CITY use. The dates used by the CITY are referred to each as "CITY DAY" or collectively as "CITY DAYS", and allow the CITY to book the venue without a rental fee; labor and other fees may be paid by the CITY. CITY DAYS are subject to availability and approval from DCA. Council Office or CITY Department-sponsored events qualify for CITY DAY use and may be counted towards public use of the facility.

CONTRACTOR must provide up to 90 days on an annual basis to be used by CITY agencies, or local cultural organizations and/or community groups sponsored by the CITY as CITY DAYS. There will be no VISPAC rental fee charged for CITY DAY programming, however City will pay FOH fees.

## **B. Fiscal Responsibilities**

1. CONTRACTOR will follow best practices that are fiscally responsible and transparent, provide an annual audit of revenue and expenses conducted by an independent auditor, and alert DCA as to any potential financial shortfalls that would prevent proper or continued operation of the venue and programs.
2. CONTRACTOR will collect all fees associated with VISPAC operations and will ensure proper accounting, in compliance with GAAP, for all monies collected and any interest earned. CONTRACTOR shall provide the CITY with financial statements on a semi-annual basis.
3. CONTRACTOR is required to ensure organizations which rent the facility have the appropriate license, permit, and insurance, which indemnifies WACO and the CITY.

4. CONTRACTOR shall not pass on the burden of bearing any net losses from the operation of the facility to the CITY.

### **C. Concession Rights and Responsibilities**

CONTRACTOR will have the exclusive right to sell food, non-alcoholic and alcoholic beverages, and merchandise from designated portions of the VISAPAC and will be permitted to use mobile carts to sell such items at designated areas pursuant to CITY's written prior approval. The address and telephone number of CONTRACTOR will be shown along with the notation that all complaints regarding change, food and beverage, etc., should be referred directly to CONTRACTOR. Renters must use CONTRACTOR's staff and vendors for concessions. However, this requirement does not apply to the CITY when conducting CITY functions.

1. Alcohol Service Training:

CONTRACTOR's employees or subcontractors involved in the sale, service, and distribution of alcoholic beverages shall be trained in effective alcoholic awareness, which includes training based on any applicable laws of California.

This training shall include the State of California Department of Alcoholic Beverage Control (ABC) sanctioned training or the Licensee Education on Alcohol and Drugs Alcohol Seller/Server Training Program (LEAD) and may include, without limitation, policies and procedures developed by CITY dealing with alcohol management and a nationally-recognized program such as "Techniques For Effective Alcohol Management" (or "TEAM") or "Techniques For Intervention Procedures By Servers of Alcohol" (or "T.I.P.S."). CONTRACTOR shall provide CITY with certificates on applicable training for all employees involved in the sale, service and distribution of alcoholic beverages.

2. CONTRACTOR shall not knowingly serve intoxicated persons and shall coordinate with, and immediately notify venue security of any known or observed safety concerns, use of illegal substances and improper use of alcohol that pose immediate threats of safety to patrons and intoxicated individuals.
3. All professional concessionaires must have all licenses and permits required by law for the preparation and serving of food. No outside vending shall be allowed on the PREMESIS.
4. The CONTRACTOR shall comply with LAAC 10.53 et seq., 'Zero Waste City Facilities And Events On City Property,' as amended from time to time (Exhibit 4). Failure of the CONTRACTOR to comply with the requirements of LAAC 10.53 et seq. shall subject the CONTRACTOR to the imposition of any and all sanctions allowed by law, including, but not limited to, the termination of this AGREEMENT. Any subcontract entered into by the CONTRACTOR for work to be performed under this contract must include an identical provision. CONTRACTOR will implement additional goals and directives set forth by the CITY.
5. The CONTRACTOR shall comply with LAMC 196.01 et seq., "Disposable Foodware Accessories And Plastic Drinking Straws," as amended from time to time (Exhibit 5).

Failure of the CONTRACTOR to comply with the requirements of LAAC 10.53 et seq. shall subject the CONTRACTOR to the imposition of any and all sanctions allowed by law, including but not limited to, the termination of this AGREEMENT. Any subcontract entered into by CONTRACTOR for work to be performed under this Contract must include an identical provision.

#### **D. Website and Social Media**

1. CONTRACTOR will coordinate with DCA's Marketing, Development, Design, and Digital Research Division (MDDDRD), to create and maintain current events and promotional content on CONTRACTOR and DCA websites including, but limited to, entering and updating cultural calendar, promotional opportunities, event programming venue information, ticketing, parking and shuttle services.
2. CONTRACTOR will ensure that the venue maintains a professional ticketing operation and event marketing program, deploying all forms of social media and positively promoting the brand of VISPAC through socially responsible means.
3. CONTRACTOR will coordinate and manage all social media apps for VISPAC with MDDDRD including, but not limited to, Twitter, Facebook, Instagram, YouTube or other designated platforms yet to be designed. CITY shall retain all administrative access including log in information and passwords, to all websites and social media accounts during the TERM of this AGREEMENT. CONTRACTOR will coordinate resolution of any potential issues with the website and/or MDDDRD.
4. Should CONTRACTOR create a website or social media accounts related to this AGREEMENT, CONTRACTOR shall provide full administrative access to CITY staff, including log in information and passwords, to all websites and social media accounts during the TERM of this AGREEMENT. Upon expiration or termination of this AGREEMENT, CONTRACTOR shall assign or transfer ownership of said accounts to the CITY.

#### **E. Operating Budget and Reports**

CONTRACTOR will prepare and submit the following reports on or before July 1 each year: required annual CDGB report; an annual VISPAC operating budget; bi-annual revenue reports; annual marketing campaign; outreach program summary; and cash outflow projections. In addition, CONTRACTOR will submit independently audited financials on an annual basis. CITY may request additional reports to assist CITY with managing the VISPAC. CONTRACTOR will cooperate with the CITY to provide the requested reports. The reports may be changed from time to time to include additional information as required by the CITY.

#### **F. Community Events**

CONTRACTOR shall use reasonable efforts to raise funds to offset VISPAC rental fees for holidays or observances celebrated as cultural events in support of community gatherings and local programming in consultation and with CITY approvals.

#### **G. Filming**

It is the policy of the CITY to facilitate the use of CITY properties as film locations when appropriate. In the event the CITY allows a charge for the use of CITY facilities for filming and photography, CITY will charge film production companies rental fees for film production conducted at VISAPAC. All fees charged for filming shall be paid to and collected by the CITY.

#### **H. Bookings and Rental Rates**

1. CONTRACTOR shall, in a fair, equitable, and informed manner identify Los Angeles-based and local principal users and community organizations that can best utilize the VISAPAC for regular and annual presentations, technical residences, incubation of new projects, and that offer educational programming for the community.
2. CONTRACTOR shall design a process that is mutually beneficial, and allows for new users/organizations to receive access and support on a yearly and on-going basis.
3. CONTRACTOR will work with private entities, promoters, presenters to attract and book commercial rentals to VISAPAC for up to 90 days or one quarter of the year.
4. CONTRACTOR shall establish three categories of rental rates for (a) performances and (b) meetings/seminars:
  - i. a Commercial rental rate (for-profit organizations)
  - ii. a Non-Profit rental rate (not for-profit organizations)
  - iii. a Community rental rate (local artists/independent producers)
5. Commercial rental rates shall be based on for-profit market rates and inclusive of all costs. Non-profit and Community rental rates shall be subject to approval by the City. CONTRACTOR must seek CITY approval 30 days prior to any increase in Non-profit or Community rental rates. CITY reserves the right to disapprove any increase in rates.
6. All VISAPAC renters and CONTRACTOR shall be required to use and pay for CITY BOH staff at the rates established by DCA.

#### **I. Community Engagement**

CONTRACTOR shall demonstrate a commitment to community, youth and family programming; education and cultural events; and to performing arts training and employment opportunities.

CONTRACTOR shall allow the venue to be booked, when available, for emergency community gatherings, memorials for important leaders, and platforms for celebrating the community.

#### **J. Cleanliness**

CONTRACTOR shall ensure VISAPAC is always maintained in a safe and clean condition

and will work in conjunction with CITY to keep the facility, parking lots, and the surrounding community, clean, uncluttered, and sanitary at all times.

CONTRACTOR shall not permit any offensive or refuse matter; or any substance constituting an unnecessary, unreasonable, or unlawful fire hazard; or any material detrimental to the public health to remain on the VISPACE property. CONTRACTOR shall prevent any such matter or material from being or accumulating on the VISPACE property and surrounding areas.

CONTRACTOR shall ensure that all garbage, refuse, or recycling is collected from the VISPACE and disposed of in the main dumpster as often as necessary, including after every event or performance. CITY will incur the cost of all garbage pick-ups from the CITY's main dumpster for the VISPACE during the TERM of this AGREEMENT.

#### **K. Conduct**

CONTRACTOR and its representatives, agents and employees shall at all times conduct its business in a quiet and orderly manner to the satisfaction of the CITY.

#### **L. Disorderly Persons**

CONTRACTOR shall use its best efforts to not permit anyone acting in a disorderly manner to enter VISPACE and will call upon the aid of security to assist in maintaining peaceful conditions. CONTRACTOR shall not knowingly allow the use or possession of illegal drugs, narcotics, or controlled substances in VISPACE and surrounding area.

#### **M. Personnel**

1. CONTRACTOR shall notify the CITY of the engagement of all employees or subcontractors as part of the Personnel Plan. CONTRACTOR shall comply with all applicable CITY, State, and/or Federal labor laws. CONTRACTOR shall provide onsite list of staff and a statement that all employment requirements have been met.
2. Unless otherwise approved by CITY, CONTRACTOR shall use its own employees to perform the services described in this AGREEMENT. CITY shall have the right to approve or disapprove any employees of CONTRACTOR or other personnel hired to work in any capacity at the FACILITY. However, CONTRACTOR retains the authority to hire all personnel and to make all employment related decisions; provided that CONTRACTOR shall agree to work in good faith with CITY to correct any performance deficiencies or reasonable concerns regarding any CONTRACTOR employees as articulated by CITY. In the event that CONTRACTOR is unable to address such performance deficiencies or reasonable concerns of CITY, despite the good faith efforts of the parties, CONTRACTOR will take such measures, as and to the extent permitted by law, necessary to address any remaining concern of CITY or performance deficiency of CONTRACTOR associated with such CONTRACTOR employee, including, without limitation, if CITY requests the termination, removal or reassignment of such employee from their work or duties under this AGREEMENT. Within a reasonable time following the opening date, CONTRACTOR shall provide CITY a list of current CONTRACTOR

employees, which list CONTRACTOR shall update periodically during the term of the AGREEMENT as reasonably requested by CITY.

3. Qualified Personnel

- a. CONTRACTOR will, in the operation of VISPAC, employ or permit the employment of only such personnel as will assure a high standard of service to the public and cooperation with the CITY in conjunction with agreed-upon appearance standards, with badges or other suitable means of identification.
- b. CONTRACTOR shall prohibit persons employed by CONTRACTOR, while on or about VISPAC, to be under the influence of illegal drugs, narcotics, other controlled substances or alcohol, or use inappropriate language, or engage in otherwise inappropriate conduct for a work environment. If found unsatisfactory, CITY may direct the CONTRACTOR to remove that person from the VISPAC.
- c. CONTRACTOR will create an employee handbook that will delineate these requirements to be signed and dated by all employees, and kept in CO-DIRECTOR's office.

4. CO-DIRECTORS of VISPAC

- a. The CITY and CONTRACTOR shall act as CO-DIRECTORS in overseeing VISPAC.
- b. The CONTRACTOR'S CO-DIRECTOR must be a qualified and experienced manager to manage and supervise the operation of VISPAC, including the quality and prices of goods and services, and the appearance, conduct, and demeanor of CONTRACTOR's agents, employees and volunteers.
- c. The CONTRACTOR'S CO-DIRECTOR, or designee, shall be available on-site during normal business hours, including show times and, at all times during that person's absence, a responsible designee shall be in charge and available on-site for theatrical programming, rentals, FOH, concessions, security, youth and community activities.
- d. The CONTRACTOR'S CO-DIRECTOR shall devote the greater part of their working time and attention to VISPAC'S operation and shall promote, increase and develop all business related to VISPAC's operation.
- e. The CONTRACTOR'S CO-DIRECTOR will serve as the primary and direct liaison to CITY's CO-DIRECTOR and shall be responsible for maintaining and developing consistent and regular communication, meetings and reporting of all VISPAC activities, venue-related issues and those issues directly affecting the neighborhood and surrounding communities.
- f. CITY's CO-DIRECTOR will maintain direct oversight and responsibilities for

ensuring CONTRACTOR's compliance with this AGREEMENT and the CONTRACTOR's CO-DIRECTOR agrees to carry out CONTRACTOR's duties and responsibilities required in this AGREEMENT.

#### **N. Equipment and Furnishings**

1. Available VISPAC Office Space (Exhibit 6): CITY will designate and provide office space to CONTRACTOR on-site. CITY will not provide, maintain or repair CONTRACTOR's office equipment.
2. Concession, Ticketing, and other Equipment: All equipment and expendables, required for CONCESSION operations shall be purchased and installed by CONTRACTOR at its sole expense and shall, excluding fixtures and City-owned equipment, remain its sole property (CONTRACTOR's FF&F).
3. Décor and Historical Furnishings: The CITY shall provide or obtain historical furnishings to decorate VISPAC (all such property being referred to herein shall be considered as part of "CITY'S FF&E"). CITY may request CONTRACTOR purchase and install the same on its behalf and, in such case, the expense of doing so shall be a REIMBURSABLE EXPENSE.

In collaboration with and approval of the CITY, CONTRACTOR may also purchase Art Deco/Afrocentric historical furnishings in keeping with the 1930's era and theme of the space, to decorate the public areas, such lobbies, cubbies or lounge, that will be on exhibit for tours of visiting patrons to the theater when performances are not scheduled.

4. The CO-MANAGERS shall deliver an inventory of all equipment with designation of ownership at the beginning of each calendar year during the TERM of this AGREEMENT. The inventory/aging report shall include updated equipment lists for FOH and BOH as well as equipment status, length of remaining useful life, and explanations of any reduction in inventory. Upon expiration or termination of this AGREEMENT, CITY shall have the option to negotiate the purchase of equipment, furnishings and expendables ("CONTRACTOR's FF&E") not previously reimbursed by the CITY.

#### **O. Maintenance of FF&E**

1. No CITY FF&F shall be removed from the VISPAC without the express prior written consent of the CITY.
2. CITY will be responsible for maintenance and repair of VISPAC and all CITY FF&E. CITY may request CONTRACTOR to maintain and repair VISPAC and CITY'S FF&E on its behalf and, in such case, the expense of doing so shall be a REIMBURSABLE EXPENSE. The CITY reserves the right to conduct inspections of VISPAC and make additional requirements to the maintenance of equipment at any time or to approve or disapprove the placement of any property located on any location on or within VISPAC.

3. CONTRACTOR shall, at all times and at its expense, keep and maintain CONTRACTOR's FF&E, in good repair and in a clean, sanitary, and orderly condition and appearance.

**P. Signs and Advertisements**

1. CONTRACTOR shall not erect, construct, or place any signs, banners, ads, or displays of any kind whatsoever (each a "SIGN" and collectively, "SIGNS") upon any portion of CITY property without the prior written approval from CITY, who reserves the right in its sole discretion to approve any such SIGNS and who may require the removal or refurbishment of any previously approved SIGN.
2. CONTRACTOR shall not permit anyone to display signage or merchandise on the PREMISES, unless it is directly associated with a production or event. Merchandise display outside of the VISPAC is prohibited. Any exception to this provision must be submitted in writing to the CITY at least 30 days in advance. The CITY retains the right to revoke such approval at any time.
3. CONTRACTOR shall not display any messaging or advertisements on the marquee or PREMISES other than programming presented at VISPAC without the expressed written permission of the CITY. Any requests must be submitted in writing to the CITY at least 30 days in advance through MADDDRDR.

**Q. Utilities**

1. CITY shall pay for utility charges (gas, water and power, Internet, WIFI, sanitation, and box office cellular desk phone) associated with VISPAC. CONTRACTOR shall use best efforts to assure that water and energy are utilized by CONTRACTOR in the most efficient manner possible, and CONTRACTOR expressly agrees to comply with all CITY water and energy conservation programs.
2. CONTRACTOR shall be responsible for any substantial increase in utilities above normal use due to CONTRACTOR's negligence or wasteful practices.
3. Except to the extent of CITY's fault, including failure to maintain and repair as provided in this AGREEMENT, CONTRACTOR hereby expressly waives all claims for compensation for any and all loss or damage sustained by reason of any defect, deficiency, or impairment of the water, heating, or air conditioning systems, electrical apparatus, solar panels, generators or wires furnished to which may occur from time to time and from any cause or from any loss resulting from an event of Force Majeure including but not limited to water, earthquake, wind, acts of terrorism, civil commotion, or riot; and CONTRACTOR hereby expressly releases and discharges CITY and its officers, employees, and agents from any and all demands, claims, actions, and causes of action arising from any of the aforementioned causes.

4. In all instances of damage to any utility service line, CITY shall be responsible for the cost of repairs and any and all damages occasioned thereby, except to the extent that such damage is caused by the negligence or willful conduct of CONTRACTOR, its employees, or its subcontractors.

## **R. Safety**

1. CONTRACTOR will prepare a safety plan with specific training programs for CONTRACTOR's employees in consultation with the CITY's Emergency Management Department protocols and procedures. CONTRACTOR will designate a Safety Officer and work with CITY's Safety Officer to report on safety statistics including employee and patron injuries on a monthly basis.
2. CONTRACTOR shall correct violations of safety practices immediately and shall cooperate fully with CITY in the investigation of accidents occurring at VISPA. CONTRACTOR agrees to respond to and immediately correct any violation in accordance with any instruction of CITY or provide a written response within 24 hours of necessary corrective action between CO-MANAGING DIRECTORS.
3. In the event of injury to an employee, staff person, manager, patron or customer, CONTRACTOR shall summon medical attention as soon as reasonably possible. CONTRACTOR'S CO-MANAGING DIRECTOR shall keep FOH Accident Reports, and CITY'S CO-MANAGING DIRECTOR shall keep BOH Accident Reports, as internal documentation of the incident and shall submit to CITY a CITY Form General No. 87 "Non-Employee Accident or Illness Report" (Exhibit 7) within 48 hours of the incident, and one (1) copy of all Accident/incident reports shall be forwarded to CITY'S CO-DIRECTOR.
4. If CONTRACTOR fails to correct in a timely manner any hazardous conditions which have led or, in the reasonable opinion of CITY, could lead to injury, CITY may at its option, and in addition to all other remedies (including termination of this AGREEMENT) which may be available to it, take the necessary action to remedy that condition and recover the cost thereof, including administrative overhead, to be paid by CONTRACTOR to CITY; provided that CONTRACTOR shall not be responsible for such hazardous conditions to the extent caused by CITY or which are otherwise an obligation of the CITY.

## **S. Security**

1. CONTRACTOR shall be responsible for security at VISPA during every event programmed by the CONTRACTOR, including theater rentals, which may include load-in, tech, show and load-out.
2. CONTRACTOR will designate a security director to report security statistics to the CITY on a monthly basis. Security personnel shall remain on duty while guests and artists are in the VISPA. No security equipment may be installed by the CONTRACTOR without the expressed permission of the CITY.

## **T. Intellectual Property**

"The Vision Theatre," "The Vision Theatre Performing Arts Center," and any CITY or DEPARTMENT logos are trademarks of the CITY (collectively, "Trademarks"). Use of these Trademarks without written permission may constitute trademark infringement and unfair competition in violation of federal and state law. Except as permitted in this AGREEMENT, CONTRACTOR may not:

1. Use the Trademarks in connection with any products or services unrelated to this AGREEMENT;
2. Use any trademarks confusingly similar to the Trademarks in connection with any products or services unrelated to this AGREEMENT;
3. Create or maintain a website, unrelated to this AGREEMENT, using a domain name confusingly similar to the Trademarks or including the words "Vision Theatre Performing Arts Center" or VISPAC";
4. Register or attempt to register the Trademarks or any marks confusingly similar to them; and
5. Challenge or dispute CITY's ownership of and rights to the Trademarks and the validity of any of CITY's registrations or applications for the Trademarks.

## **SECTION 10. REIMBURSABLE EXPENSES**

CONTRACTOR may seek CITY approval to make purchases for VISPAC's operation for and on behalf of CITY. CONTRACTOR will only utilize qualified vendors for any equipment or service and must receive written authorization by CITY for said services or procurement. CONTRACTOR must obtain CITY's prior written approval for any expenditure and may be reimbursed up to a maximum of \$100,000.00 per fiscal year subject to available funds. CONTRACTOR will be reimbursed for the equipment or service costs by providing CITY the appropriate documentation to support the request for reimbursement. REIMBURSABLE EXPENSES will be included in the Monthly Event Closing Statement for reimbursement.

In cases of emergency where theatrical equipment malfunctions or becomes inoperable during production and prior CITY-approval is not practical, CONTRACTOR may make repairs and incur reasonable expenses to allow productions to proceed on schedule. However, CONTRACTOR shall notify the CITY of the reason for the repair and provide documentation, including an invoice and proof of payment, by the next business day. Reimbursement shall be subject to CITY approval.

## **SECTION 11. TICKET SALES**

- A. Commercial programming – Ticket prices for commercial productions may be set by the renter.

CONTRACTOR will collaborate with the CITY to design a comprehensive Community Access plan that ensures reduced-priced ticket access for not less than 25% of available seats sold for each CONTRACTOR produced production/event. CONTRACTOR will negotiate in good faith with commercial renters to provide accessible tickets, and CITY acknowledges that specific third-party events may not be open to the public or otherwise accessible. CONTRACTOR will engage with the CITY on an annual basis to revise this program as necessary.

- B. Five percent of each full-priced ticket sold, based on the ticket price, shall subsidize youth/community programming, education, and/or training in stage crafts that lead to jobs in the arts.
- C. Fundraising programming – All gross revenue, less event expenses, from fundraising shall be used for the VISPAC exclusively, subsidizing VISPAC related activities and facility improvements including, but not limited to, furnishings and equipment, youth/community programming, and education/training in stage crafts that lead to jobs in the arts. CONTRACTOR is responsible for ensuring all fundraising activities do not constitute gambling. CONTRACTOR shall provide a monthly report to the City.
- D. A \$2.00 facility's cost recovery charge on all tickets for admission shall be collected on behalf of and paid to the CITY. CONTRACTOR shall provide a quarterly report to the City.

## **SECTION 12. VISPAC MAINTENANCE**

### **A. CITY MAINTENANCE**

- 1. CITY shall be responsible for the maintenance of VISPAC's building components including but not limited to structural, mechanical, and electrical maintenance. CITY will provide ground maintenance.
- 2. Pest Control:  
CITY shall perform and pay for pest control in all areas of the VISPAC. CONTRACTOR shall take all reasonable preventative measures to reduce the proliferation of pests, including maintaining the VISPAC in clean and sanitary condition. In the event that CONTRACTOR, through negligence, gives rise to pest-related issues, the CITY reserves the right to instruct CONTRACTOR to cover the costs associated with implementing additional measures to eliminate pests that pose an immediate threat to public health or safety.

### **B. CONTRACTOR MAINTENANCE**

CONTRACTOR shall conduct housekeeping after each performance or event. Contractor shall also be responsible for daily professional-level custodial services for the PREMISES.

## **SECTION 13. DAMAGE TO HISTORICAL STRUCTURE**

**A. Property Damage and Theft Reporting:**

CONTRACTOR shall complete and submit to CITY a "Special Occurrence and Loss Report," (Exhibit 8) in the event that the PREMISES and/or CITY-owned property is damaged or destroyed, in whole or in part, from any cause whatsoever, and in the event of theft, burglary, or other crime committed on the PREMISES.

**B. Damage:**

If all or a portion of VISPACE is damaged by fire, earthquake, explosion, flooding inundation, floods, the elements, public enemy, or other casualty, but not rendered uninhabitable, the same will be repaired with due diligence by CITY at its own cost and expense, subject to the limitations as hereinafter provided; if said damage is caused by the negligent acts or omissions of CONTRACTOR, its agents, officers, or employees, CONTRACTOR and/or renters will be held liable for reimbursing CITY for the cost and expense incurred in making such repairs. If the property is irreparable or completely destroyed through no fault of either party, then the agreement is automatically terminated. If the CONTRACTOR, renter and/or their patrons are deemed negligent, the CITY will seek legal remedies.

**C. Complete Destruction:**

In the event all or a substantial portion of the PREMISES are completely destroyed by fire, explosion, the elements, public enemy, or other casualty, or are so damaged that they are uninhabitable and cannot be replaced except after more than 60 days, CITY shall be under no obligation to repair, replace or reconstruct said PREMISES, and an appropriate portion of the fees and charges payable hereunder shall abate as of the time of such damage or destruction and shall henceforth cease until such time as the said PREMISES are fully restored. If within four (4) months after the time of such damage or destruction said PREMISES have not been repaired or reconstructed, CONTRACTOR may terminate this AGREEMENT in its entirety as of the date of such damage or destruction. Notwithstanding the foregoing, if the said PREMISES, or a substantial portion thereof, are completely destroyed as a result of the negligent acts or omissions of CONTRACTOR, its agents, officers, or employees, said fees and charges shall not abate and CITY may, in its discretion, require CONTRACTOR to repair and reconstruct the same within 12 months of such destruction and CONTRACTOR shall be responsible for reimbursing CITY for the cost and expenses incurred in making such repairs.

**D. Limits of CITY'S Obligation Defined**

In the application of the foregoing provisions, CITY may, but shall not be obligated to, repair or reconstruct the PREMISES. If CITY chooses to do so, CITY'S obligation shall also be limited to repair or reconstruction of the PREMISES to the same extent and of equal quality as obtained by CONTRACTOR at the commencement of its operations hereunder. Redecoration and replacement of furniture, equipment and supplies included within CONTRACTOR'S OFFICE FURNITURE AND EQUIPMENT costs shall be the responsibility of CONTRACTOR and any such redecoration and refurnishing/re-equipping shall be equivalent in quality to that originally installed.

## **SECTION 14: PROHIBITED ACTS**

CONTRACTOR shall not:

- A. Use the PREMISES to conduct any other business operations or interfere with the public's enjoyment and use of the facility or use the PREMISES for any purpose which is not essential to the facility operations;
- B. Allow anything to be done which may interfere with the effectiveness or accessibility of utility, heating, solar panels, ventilation, or air conditioning systems or portions thereof at the VISPAK or elsewhere on the PREMISES, nor do or permit to be done anything which may interfere with free access and passage to the PREMISES or the public areas adjacent thereto, or in the streets or sidewalks adjoining the PREMISES, or hinder police, fire fighting or other emergency personnel in the discharge of their duties;
- C. Rent, sell, lease, or offer any space for storing of any articles whatsoever within or on the PREMISES other than specified herein, without the prior written approval of CITY;
- D. Place any additional lock of any kind upon any window or interior or exterior door in the PREMISES, or make any change in any existing door or window lock or the mechanism thereof, unless a key is maintained on the PREMISES, nor refuse, upon the expiration or termination of the AGREEMENT, to surrender to CITY any and all keys to the interior or exterior doors on the PREMISES, whether said keys were furnished to or otherwise procured by CONTRACTOR, and in the event of the loss of any keys furnished by CITY, CONTRACTOR shall pay CITY, on demand, the cost for replacement;
- E. Allow any act or thing upon the PREMISES which will invalidate, suspend or increase (except in connection with increased or changed usage) the rate of any insurance policy required under the AGREEMENT, or carried by CITY, covering the PREMISES, or the buildings in which the same are located or which, in the opinion of CITY, may constitute a hazardous condition that will increase the risks normally attendant upon the operations contemplated under the AGREEMENT, provided, however, that nothing contained herein shall preclude CONTRACTOR from bringing, keeping or using on or about the PREMISES such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all respects as is customary;
- F. Use, create, store or allow any hazardous materials as defined in Title 26, Division 19.1, Section 19-2510 of the California Code of Regulations, or those which meet the criteria of the above Code, as well as any other substance which poses a hazard to health and environment, provided, however, that nothing contained herein shall preclude CONTRACTOR from bringing, keeping or using on or about the PREMISES such materials, supplies, equipment and machinery as are appropriate or customary in carrying on its business, or from carrying on said business in all respects as is customary except that all hazardous materials must be stored and used in compliance with all CITY, State and Federal rules, regulations, ordinances and laws;

- G. Permit undue loitering on or about the PREMISES;
- H. Use the PREMISES in any manner that will constitute environmental waste;
- I. Use or allow the PREMISES to be used for any improper, immoral, or unlawful purposes;
- J. Install or allow the installation of video games or vending machines, including but not limited to Automatic Teller Machines ("ATMs"), without the prior written approval of CITY;
- K. Permit gambling on the PREMISES or install or operate or permit to be installed or operated thereon, any device which is illegal; or use the PREMISES or permit it to be used for any illegal business or purpose;
- L. Permit smoking inside or outside of VISPAC in conformance with AB13 California Smoke-Free Workplace Law; or
- M. Overload any floor or roof in the PREMISES or use the stairwells for storage.

## **SECTION 15. RATIFICATION LANGUAGE**

Due to the need for the CONTRACTOR's services to be provided expeditiously, CONTRACTOR may have begun performance of the services specified herein prior to the execution of this AGREEMENT. To the extent that such services were performed in accordance with the terms and conditions of this AGREEMENT, those services are hereby ratified.

## **SECTION 16. TAXES, PERMITS AND LICENSES**

During the TERM of this AGREEMENT, CONTRACTOR shall:

- A. Obtain at its sole expense permits, approvals, and licenses that may be required in connection with the FOH operation of VISPAC including, but not limited to: tax permits, business licenses, liquor licenses, and health permits. Approvals and licenses shall be posted in the appropriate areas.
- B. Pay all applicable CITY, State, and Federal taxes associated with CONTRACTOR's business activities in performance of the service required in this AGREEMENT, including any possessory interest tax pursuant to California Revenue and Taxation Code Section 107.6. By executing this AGREEMENT and accepting the benefits thereof, CONTRACTOR may be creating a property interest known as "possessory interest" which may be subject to property taxation. CONTRACTOR, as the party to whom the possessory interest would be vested, shall be responsible for the payment of property taxes, if any, levied upon such interest. CONTRACTOR acknowledges that the notice required under California Revenue and Taxation Code section 107.6 has been provided.
- C. Hold a current Los Angeles Business Tax Registration Certificate (BTRC) as required by

the CITY's Business Tax Ordinance (LAMC Article 1, Chapter 2, Sections 21.00 et. seq.).

- D. Not take any tax position that is inconsistent with being a service provider to the CITY with respect to the facility.

## **SECTION 17. TRANSFER OR ASSIGNMENT**

CONTRACTOR shall not sublet the PREMISES or any part thereof or allow the same to be used or occupied by any third party or for any other use than that herein specified, nor assign or transfer the AGREEMENT in any manner, nor convey any of the rights or privileges herein granted without the prior written consent of CITY. Neither the AGREEMENT nor the rights herein granted shall be assignable or transferable by any process or proceedings in any court, or by attachment, execution, proceeding in insolvency or bankruptcy either voluntary or involuntary, or receivership proceedings. Any attempted assignment, mortgaging, hypothecation, or encumbering of the FACILITY rights or other violation of the provisions of this Section shall be void and shall confer no right, title or interest in or to the AGREEMENT or right of use of the whole or any portion of the PREMISES upon any such purported assignee, mortgagee, encumbrance, pledgee or other lien holder, successor or purchaser.

CONTRACTOR may not, without prior written permission of the CITY:

- A. Assign or otherwise alienate any of its rights hereunder, including the right to payment.
- B. Delegate, subcontract, or otherwise transfer any of its duties hereunder.

## **SECTION 18. BUSINESS RECORDS**

### **A. Retention of Records, Audit and Report**

CONTRACTOR shall maintain all of its records, including books, ledgers, journals, and accounts wherein are kept all entries reflecting the gross receipts received or billed by it from the business transacted pursuant to this AGREEMENT, in accordance with PSC-16 of the Standard Provisions for City Contracts. Furthermore, such records shall be available for inspection and examination by CITY, or a duly authorized representative, in accordance with PSC-16 of the Standard Provisions for City Contracts.

### **B. Cash and Record Handling Requirements**

1. If requested by CITY, CONTRACTOR shall prepare a description of its cash handling and sales recording systems and equipment to be used for the management and operation of the VISAPAC, which shall be submitted to CITY for approval within 30 days of the request.
2. CONTRACTOR shall be required to maintain a method of accounting in compliance with GAAP), which shall correctly and accurately reflect the gross receipts and disbursements received or made by CONTRACTOR from the management and

operation of the VISAPAC.

3. The method of accounting, including bank accounts, established for the FACILITY shall be separate from the accounting systems used for any other business operated by CONTRACTOR or for recording CONTRACTOR's personal financial affairs. Such method shall include the keeping of the following documents:
  - a. Regular books of accounting such as general ledgers.
  - b. Journals including supporting and underlying documents such as vouchers, checks, tickets, bank statements, etc.
  - c. State and federal income tax returns and sales tax returns and checks and other documents providing payment of sums shown.
  - d. Receipt vouchers shall be retained in order for daily sales to be identified. Reconciliations are required per event.
  - e. Any other accounting records that City, in its sole discretion, deems necessary for proper reporting of receipts.

#### **C. Annual Statement of Gross Receipts and Expenses**

CONTRACTOR shall transmit certified financial statements for the VISAPAC management and operations, prepared in a form and by an independent Certified Public Accounting firm acceptable to CITY, on or before January 15th for the foregoing AGREEMENT year during the TERM of the AGREEMENT. Notwithstanding the expiration of the AGREEMENT on \_\_\_\_\_, the certified financial statements provisions shall survive the expiration of the AGREEMENT and the final certified financial statements shall be filed on or prior to January 15th of the calendar year after the expiration of the AGREEMENT.

The annual certified financial statements shall include an attachment containing the following information:

1. All actual revenue categorized by source (i.e., rentals, in-house ticketing, concession, parking, etc.).
2. All actual expenses, categorized by salaries, equipment expenses etc.

Failure to provide the certified financial statements described above, within the prescribed time allowed, shall be cause for CITY to call for an immediate audit of the CONTRACTOR's management and operations of VISAPAC. CONTRACTOR shall be charged for the full cost of labor, mileage, and materials expended in the investigation and preparation of the audit, plus 30% of said costs for administrative overhead.

All records obtained or created in connection with CITY'S inspections of record or audits, will be or become subject to public inspection and production as public records, except to the extent that certain records or information are not required by law to be disclosed.

Except as provided in the above paragraph A of this SECTION, all documents, books and accounting records shall be open for inspection and reinsertion at any reasonable time

during the TERM of the AGREEMENT, and for a reasonable period, not to exceed one year, thereafter.

## **SECTION 19. REGULATIONS AND RIGHT TO INSPECTION**

### **A. Conformance with Laws**

CONTRACTOR shall comply with:

1. Any and all applicable rules, regulations, orders, policies, and restrictions which are now in force or which may be hereafter adopted by CITY with respect to the operation of the VISPAAC;
2. Any and all orders, directions or conditions issued, given, or imposed by CITY with respect to the use of the roadways, driveways, curbs, sidewalks, parking areas, or public areas adjacent to VISPAAC;
3. Any and all applicable laws, ordinances, statutes, rules, regulations or orders, including the LAMC, LAAC, the Charter of the City of Los Angeles, and of any governmental authority, lawfully exercising authority over CONTRACTOR's operations and;
4. Any and all applicable local, state and federal laws and regulations relative to the design and installation of facilities to accommodate disabled persons.

### **B. Permissions**

Any permission required by the AGREEMENT shall be secured in writing by CONTRACTOR from CITY, and any errors or omissions therefrom shall not relieve CONTRACTOR of its obligations to faithfully perform the conditions therein. CONTRACTOR shall immediately comply with any written request or order submitted to it by CITY.

### **D. Right to Inspection and Access to VISPAAC**

CITY and its authorized representatives, agents and employees shall possess and maintain the right to enter the PREMISES at any and all times. Said access and/or inspections may be made at any time by persons identified to CONTRACTOR as CITY employees, or CITY authorized persons. Inspections may be made for the purpose set forth below, however, the enumerations below shall not be construed to limit CITY's right of inspection for any purpose incidental to the rights of CITY:

1. To determine if CONTRACTOR is complying with the terms and conditions of the AGREEMENT.
2. To observe transactions between CONTRACTOR and patrons in order to evaluate

the quality and quantities of services provided or items sold or dispensed, the courtesy extended to and method of dealing with the public, the performance and caliber of CONTRACTOR's programming, employees, subcontractor employees and the transaction methods.

The information gathered on these inspections, along with customer satisfaction surveys, may be used to evaluate CONTRACTOR to provide a basis for an action by the CITY for the termination, renewal or denial or extensions to the AGREEMENT or for any other appropriate action.

#### **E. Control of Premises**

CITY shall at all times retain and possess absolute and full access to the VISPA and all its appurtenances during the TERM of the AGREEMENT and may make such changes and alterations therein, and in the grounds surrounding the same, as may be determined by CITY. Such determination shall not be unreasonable and shall take into account the business considerations presented by CONTRACTOR.

### **SECTION 20. SURRENDER OF PREMISES**

CONTRACTOR agrees to surrender possession of the premises to the CITY on the date of expiration or early termination of the AGREEMENT promptly, peaceably, quietly, and in good and usable condition, subject to normal wear and tear acceptable to the CITY, as the PREMISES were in at the time of the first occupation by the CONTRACTOR.

No agreement of surrender or acceptance of surrender shall be valid unless and until the same is in writing and signed by the duly authorized representatives of CITY and CONTRACTOR. Neither the doing nor omission of any act or thing by any of the officers, agents or employees of CITY shall be deemed an acceptance of a surrender of the PREMISES utilized by CONTRACTOR under this AGREEMENT.

### **SECTION 21. NON-COMPLIANCE**

Failure to abide by any term or condition of the AGREEMENT shall constitute a default. In the event of a default, the CITY shall be required to provide to the CONTRACTOR written notice of the alleged default (Notice to Correct Deficiencies). The CONTRACTOR may either cure the default or dispute the default; either requires a written response within 10 days of receipt of CITY notification. If a written response is not received by the tenth day after written notice, this shall be deemed a breach of the AGREEMENT and may result in the termination of the AGREEMENT.

### **SECTION 22. STANDARD PROVISIONS**

CONTRACTOR agrees to comply with the "Standard Provisions for City Contracts" (Rev. 1/25 [v.2]), attached hereto as Attachment A and made a part hereof.

## **SECTION 23. DISCLOSURE OF BORDER WALL CONTRACTING ORDINANCE**

The CONTRACTOR shall comply with Los Angeles Administrative Code Section 10.50 et seq., 'Disclosure of Border Wall Contracting.' CITY may terminate this Agreement at any time if CITY determines that Contractor failed to fully and accurately complete the required affidavit and disclose all Border Wall Bids and Border Wall Contracts, as defined in LAAC Section 10.50.1.

## **SECTION 24. DISPUTE RESOLUTION**

The parties hereto desire to cooperate with each other in the management and operation of the PREMISES pursuant to the terms hereof. In keeping with this cooperative spirit and intent, the parties shall attempt in good faith to resolve any dispute with respect to the PREMISES within 30 days following receipt by the other party of notice of such dispute. If the parties are unable to resolve the dispute within a 30-day period, and upon notice by a party to the other party, the parties may be free to pursue causes of action in a court of competent jurisdiction. Nothing in this section prevents either party from issuing a notice of default concurrently with a notice of dispute.

## **SECTION 25. ENTIRE AGREEMENT**

- A. This AGREEMENT integrates all the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to the performance of the services under this AGREEMENT.
- B. No oral agreement or conversation with any officer or employee of either party shall affect or modify any of the terms and conditions contained in this AGREEMENT.
- C. This AGREEMENT may be executed in one (1) or more counterpart(s), and by the parties in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same AGREEMENT. The parties further agree that facsimile signatures, or signatures scanned into portable document format (PDF) or another electronic format designated by CITY and sent by e-mail, shall be deemed original signatures.
- D. In the event of any inconsistency between the provisions contained in the body of this AGREEMENT and the exhibits attached hereto, the inconsistency shall be resolved by giving precedence in the following order:
  - 1. The provisions contained in the body of this AGREEMENT;
  - 2. Attachment A, "Standard Provisions for City Contracts (Rev. 1/25 [v.2])";
  - 3. Attachment B: Community Block Grant Requirements, attached hereto and incorporated by reference; and
  - 4. Exhibits 1 – 8.

**(SIGNATURE PAGE TO FOLLOW)**

**IN WITNESS THEREOF**, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES, acting by  
and through its Department of Cultural Affairs

Where Art Can Occur Theater Center (WACO)  
5144 Lankershim Boulevard  
Los Angeles, CA 91601

By signing below, the signatory attests  
that they have no personal, financial,  
beneficial, or familial interest in this contract.

By: \_\_\_\_\_  
DANIEL TARICA  
General Manager  
Department of Cultural Affairs

By: \_\_\_\_\_  
Name of Signatory

Title: \_\_\_\_\_

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

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

**APPROVED AS TO FORM:**

HYDEE FELDSTEIN SOTO, City Attorney

**ATTEST:**

PETTY F. SANTOS, Interim City Clerk

By: \_\_\_\_\_  
TANEA YSAGUIRRE  
Deputy City Attorney

By: \_\_\_\_\_  
Deputy City Clerk

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

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

\* Approved signature methods for corporations:

1) Two signatures: One of the Chairman of the Board of Directors, President, or Vice-President, and one of the Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer, or

2) One signature of a Corporate-designated individual together with a properly attested resolution of the Board of Directors authorizing the individual to sign.

City Business License Number: 00030115986

Agreement Number \_\_\_\_\_

DRAFT