



County of Los Angeles
CHIEF EXECUTIVE OFFICE

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Interim Chief Executive Officer

"To Enrich Lives Through Effective And Caring Service"

September 01, 2015

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

24 September 1, 2015


PATRICK OGAWA
ACTING EXECUTIVE OFFICER

Dear Supervisors:

**AUTHORIZE FUNDING AGREEMENT WITH THE JOHN ANSON FORD THEATRE FOUNDATION
FOR THE JOHN ANSON FORD THEATRE IMPROVEMENTS PROJECT
APPROVE APPROPRIATION ADJUSTMENT
(THIRD DISTRICT)
(3 VOTES)**

SUBJECT

The recommended actions will authorize a funding agreement with the Ford Theatre Foundation for a grant of \$8,649,000 for the implementation of the John Anson Ford Theatre Improvements Project, and approve an appropriation adjustment.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate and authorize the Interim Chief Executive Officer to execute a funding agreement of \$8,649,000 with the Ford Theatre Foundation for the John Anson Ford Theatre Improvements Project outlined below.
2. Approve the appropriation adjustment, transferring \$8,649,000 from the Provisional Financing Uses Budget Unit – Budgetary Uncertainties Account to Project and Facility Development Budget Unit, to fund the Improvements Project.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will authorize the transfer of funds to the Ford Theatre Foundation (Foundation) to implement the John Anson Ford Theatre Improvements Project at the John Anson Ford Theatre (Ford Theatre).

Background

The Ford Theatre is one of the oldest performing arts venues in Los Angeles that is still in use. The venue hosts over 100 diverse dance, music, theater, film and family events each year. The theatre is currently closed for the 2015 season to complete construction activities, with the expectation to reopen in the summer of 2016. The amphitheater, originally named the Pilgrimage Theatre, was rebuilt and re-opened in 1931 after the original 1920 structure was destroyed in a brush fire in 1929. In 1941, the 32 acres on which the Ford Theatre stands was deeded to the County of Los Angeles (County) and is now a County regional park. The theater was renamed the John Anson Ford Theatre in 1976, and was used intermittently until the creation of the Ford Amphitheatre Season in 1993 by the Arts Commission. Since the first year of the Ford Amphitheatre Season, the program has grown from only 12 to over 100 performances and events per year. Attendance at the Ford Theatre has grown in similar fashion, from 8,000 in 1993 to 45,000 in 2014-15.

In the past several decades prior to 2012, the County of Los Angeles has made over \$8.8 million in refurbishments and capital improvements to the facility to meet modern safety, access, and performance standards. At 84 years old, it has previously been determined by the Board of Supervisors (Board) that the Ford Theatre building's structure and deteriorating infrastructure were in need of repair or replacement. To improve functionality and performance operations, refurbishments, and new construction were authorized to enhance configuration and preserve historic features.

As of September 30, 2014, the Board approved \$56,202,750 for the Ford Theatre Improvements Project. Since then the scope of work for the Project has not changed. However, the Project budget has increased to accommodate building code changes, unforeseen situations related to hillside condition and anticipated weather impacts, market rate increases in labor and materials, estimating adjustments, and refinements to the plans. As of July 12, 2015, the final estimated cost of the Project totals \$69,456,750, which is \$13,254,000 higher than the Project budget.

The Arts Commission, the Department of Parks and Recreation, and the Foundation identified \$3 million in value engineering for the Project to reduce costs. In addition, the Foundation has raised \$605,000 to support the project. This reduces the Project funding gap to \$9,649,000.

Without an additional \$9,649,000 in funding, the Arts Commission will reduce scope through elimination of the Amphitheatre sound wall and audio-visual control booth, concessions and office building, and picnic terrace.

Implementation of Strategic Plan Goals

The recommendation supports the County's Strategic Plan Goal of Community Support and Responsiveness (Goal 2), enriching the lives of Los Angeles County residents through the offering of diverse dance, music, theater, film and family events at this historic venue.

FISCAL IMPACT/FINANCING

The proposed funding agreement will authorize a grant in the amount of \$8,649,000 to the Foundation, which is funded with General Fund net County cost. On June 22, 2015, the Board authorized a funding agreement for \$450,000 to address a portion of the funding gap, using funds provided by the Third District. The remaining \$550,000 will be contributed by the Third District prior to Project completion, bringing the total to the required \$9,649,000. The attached appropriation adjustment will authorize the transfer of \$8,649,000 from the General Fund, Provisional Financing

Uses Budget Unit (PFU) – Budgetary Uncertainties Account to the Project and Facility Development Budget Unit.

The General Fund, PFU – Budgetary Uncertainties Account is recommended for use, at this time, due to the critical timing of the required funding. During the Supplemental Budget, scheduled for late September, it is anticipated that excess General Fund – Fund Balance may be utilized to replenish the PFU – Budgetary Uncertainties Account.

If additional funding is not approved, the Project scope will exclude the following:

- New sound wall and control booth;
- New concession/office building; and
- Picnic terrace

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to California Government Code 26227, the County of Los Angeles Board of Supervisors may expend money for projects and/or programs which the Board of Supervisors determines will serve the social and cultural needs of the County and contract with other public agencies, private agencies, or individuals for those projects and/or programs.

The authorization by the Board will delegate authority to the Interim Chief Executive Officer to execute a funding agreement in the amount of \$8,649,000 with the Foundation, for the Project described above.

ENVIRONMENTAL DOCUMENTATION

The recommended actions are within the scope of the certified Environmental Impact Report that the Board approved on October 7, 2014.

CONTRACTING PROCESS

A funding agreement, consistent with the Board's approval and in the form approved by County Counsel, will be used.

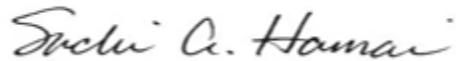
IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended actions are administrative in nature, but will impact the future functionality of the Ford Theatre.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Programs Division.

Respectfully submitted,



SACHI A. HAMAI

Interim Chief Executive Officer

SAH:JJ:TT

BMB:FC:zu

Enclosures

- c: Executive Office, Board of Supervisors
- County Counsel
- Arts Commission
- Parks and Recreation

September 01, 2015
DEPT NO: 060

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

**ADJUSTMENT REQUESTED AND REASONS THEREFOR
FY 2015-16
3 - VOTES**

SOURCES		USES	
PFU-VARIOUS		PROJECT AND FACILITY DEVELOPMENT	
A01-CB-2000-13749-13760		A01-CF-5500-10190	
SERVICES & SUPPLIES		OTHER CHARGES	
DECREASE APPROPRIATION	8,649,000	INCREASE APPROPRIATION	8,649,000
SOURCES TOTAL		USES TOTAL	
8,649,000		8,649,000	

JUSTIFICATION

Reflects transfer of \$8,649,000 in net County cost appropriation from the Provisional Financing Uses Budget Unit (PFU) to the Project & Facility Development Budget, for a funding agreement with the John Anson Ford Theatre Foundation to implement the John Anson Ford Theatre Improvements Project at the John Anson Ford Theatre.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

24 **SEP 1 2015**
BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

AUTHORIZED SIGNATURE Frank Cheng, Manager, CEO

Patrick Osawa
PATRICK OSAWA

ACTING EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

ACTION

RECOMMENDATION

AUDITOR-CONTROLLER BY *[Signature]*

B.A. NO. **017** DATE **August 19, 2015**

APPROVED AS REQUESTED

APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER BY *[Signature]*

DATE **8.19.15**