

WHEREAS, the City owns the Kalita Humphreys Theater located at 3636 Turtle Creek Boulevard in Dallas, Dallas County, Texas as well as the land and improvements comprising approximately 9.87 acres of land and appurtenances thereto; and

WHEREAS, the City executed a lease agreement with the Dallas Theater Center (DTC) dated September 26, 1973 for the Kalita Humphreys Theater; and

WHEREAS, the lease agreement was amended by the City and DTC by the First Amendment on November 17, 1982 for the leased premises; and

WHEREAS, the City, then acting by and through its Park and Recreation Board and now acting by and through its Office of Arts and Culture ("OAC"), formerly known as Office of Cultural Affairs, subsequently executed the Second Amendment on March 27, 1991; and

WHEREAS, the City, acting by and through its OAC, subsequently executed the Third Amendment to the Original Lease Agreement to be effective June 12, 2019; and

WHEREAS, on January 13, 2021, City Council authorized the Fourth Amendment to the Lease Agreement to defer the delivery date of the Updated Master Plan by Resolution No. 21-0136; and

WHEREAS, on August 11, 2021, City Council authorized the Fifth Amendment to the Lease Agreement to extend the term of the lease through June 1, 2025, by Resolution No. 21-1236; and

WHEREAS, the City and Tenant agree that the collaboration on a plan of action that will allow the proper consideration for the future of the Kalita Humphrey Theater's operation and management will require a period of some years to address the complexities of the current agreement and determine the best solution for a successful, safe, accessible, and sustainable future operation of the cultural venue; and

WHEREAS, the City acknowledges that the reasonable time required to sufficiently notify interested organizations involved in the rental and use of the Kalita Humphreys Theater campus without disruption to an organization's programming and operation is about one year; and

WHEREAS, the City acknowledges the importance to maintaining the Equitable Access Plan during the period of this Sixth Amendment to maintain the rental and usage expectations of current and prospective renting organizations; and

WHEREAS, the City and DTC agree that operations will be best served by implementation of a mutually acceptable security plan as approved by the department's Director in accordance with the City's security standards; and

WHEREAS, the City and Tenant understand and acknowledge that rising rental rates for performance spaces in Dallas continue to place increased financial burden on small and mid-sized arts organizations looking to access the limited theater spaces comparable to the size of the Kalita Humphreys Theater; and

WHEREAS, the City acknowledges the continued cost burden that the Equitable Access Plan has had on the Tenant preventing a more financially sound and sustainable operation through the use of alternate sources of revenue available by more varied usage and rentals of the Kalita Humphreys Theater.

Now, Therefore,

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

SECTION 1. That the City Manager is hereby authorized to execute a Sixth Amendment to the Lease Agreement with the Dallas Theater Center, approved as to form by the City Attorney, to (1) extend the term of the agreement through September 30, 2028; (2) continue the implementation of the Equitable Access Plan through the term of the Sixth Amendment; (3) suspend venue rental rates at the level as published for FY2025; (4) require Dallas Theater Center, at its sole cost, to develop and implement a security plan as approved by the department Director; and ~~(45) for the City to provide direct financial support in an amount not to exceed \$150,000.00~~ to the Dallas Theater Center to defray increased operating costs resulting from the Equitable Access Plan and the suspension of rental rate increase.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in periodic payments, in an amount not to exceed \$150,000.00 from General Fund, Fund 0001, Department OCA, Unit 4903, Object 3099, Activity CULF as invoices are processed by the Office of Arts and Culture as received.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.