

**AMENDMENTS to Resolution, File ID 19058 as recommended by the Common Council Organizational Committee 7/20/10.**

..Fiscal Note

Adoption of this comfort resolution has no direct budgetary impact other than the commitment of staff resources to negotiate agreements pertaining to the future ownership and operation of the Overture Center. Any provisions of those agreements that have a budgetary impact on the City will require Common Council authorization and inclusion in future operating and capital budgets.

..Title

Resolution authorizing the Mayor and City staff to negotiate with the Madison Cultural Arts District and to recommend a plan for the City's role in the long-term viability of the Overture Center, to include certain elements in any plan, and to present the City's role in the plan and any city agreements to the Common Council for approval.

..Body

WHEREAS, the Madison Cultural Arts District (MCAD) operates the Overture Center for the Arts; and

WHEREAS, the Overture Development Corporation (ODC) owns the facility, and ODC's functions have been absorbed by MCAD; and

WHEREAS, the City of Madison (City) supports MCAD with an annual payment, pursuant to the Operation and Cooperation Agreement between the City and MCAD, as amended (the Operation Agreement); and

WHEREAS, MCAD and ODC recently reached an agreement with its creditors to resolve issues related to all outstanding debt on the Overture Center building; and

WHEREAS, the debt resolution agreement is contingent upon certain actions by the City before December 31, 2010; and

WHEREAS, the 201 State Foundation also provides support to MCAD and the Overture Center; and

WHEREAS, it is in the best interests of the City, MCAD, ODC and the 201 State Foundation to prepare new agreements to place the operation of Overture on solid ground for the future;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Mayor and City staff shall negotiate with MCAD, ODC and the 201 State Foundation in order to present to the Common Council new agreements to govern the future ownership and operation of Overture. An independent citizens group **selected by the Mayor and approved by the Council** will review and analyze the future business plan of Overture to determine its financial feasibility. The details of any plan for the future of Overture, **including projected capital and operating budgets** shall be presented to the Common Council **for approval.**

2. That any agreements between the City, MCAD, ODC, the 201 State Foundation, or any other entity, related to the City's role in the future operation of Overture, shall be presented to the Common Council for approval.

3. That the City's obligations in any agreements with respect to the future of the operations of Overture may include any or all of the following elements:

a. Purchase of the Overture Center facility, free and clear of any liens or encumbrances, for no more than \$1.00.

b. Agreement by the City to undertake the long-term capital maintenance of the Overture Center.

c. Continuation of the City's current operating subsidy to Overture at approximately the current net level.

d. Adequate plans to assure, ~~to the extent possible,~~ that no current **represented** employees of the City who work at Overture are involuntarily laid off.

e. Such other provisions as will assist in the long-term stability of Overture operation.

**4. The City shall not enter into negotiations with any labor unions representing Overture staff until a staffing study, including several potential models and associated costs, has been presented to the Common Council and the Common Council has decided on a future staffing model for the Overture, including but not limited to the status of represented employees. This study will be conducted by city staff in conjunction with an outside organization with expertise in such studies and shall be presented to the Common Council by its first October meeting.**

**5. City staff shall also conduct or arrange for a facilities study to advise the Council on the physical status of the Overture facility, and shall undertake such other fact finding or due diligence as may be required to proceed with any agreements.**

~~4.~~ ~~5.~~ **6.** That during the course of any negotiations, the Mayor shall consult with Council leadership and shall, ~~from time to time,~~ **on a monthly basis starting with the 1<sup>st</sup> meeting of September 2010** advise the Board of Estimates **and the Common Council Organizational Committee** regarding the progress of negotiations.