



City of Madison

City of Madison
Madison, WI 53703
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Master

File Number: 19058

File ID: 19058

File Type: Resolution

Status: Report of Officer

Version: 1

Reference:

Controlling Body: BOARD OF ESTIMATES

File Created Date : 06/30/2010

File Name: Overture Comfort Resolution

Final Action:

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.

Notes:

Agenda Number: 8.

Sponsors: David J. Cieslewicz, Mark Clear, Lauren Cnare and Michael E. Verveer

Enactment Date:

Attachments: Overture Forebearance Agreement, Overture: Permanent Salary Detail, Registrants: 7/20/10 CCOC Meeting, Recommended Amendments from 7/20/10 CCOC Meeting

Enactment Number:

Author: David J. Cieslewicz

Hearing Date:

Entered by: cphair@cityofmadison.com

Published Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor's Office	07/01/2010	Referred for Introduction				
	Action Text:		This Resolution was Referred for Introduction				
	Notes:		Board of Estimates				
1	COMMON COUNCIL	07/06/2010	Referred	BOARD OF ESTIMATES		07/26/2010	
	Action Text:		This Resolution was Referred to the BOARD OF ESTIMATES				
	Notes:		Additional Referral: Common Council Organizational Committee.				
1	BOARD OF ESTIMATES	07/06/2010	Refer	COMMON COUNCIL ORGANIZATIONAL COMMITTEE		07/20/2010	
	Action Text:		This Resolution was Refer to the COMMON COUNCIL ORGANIZATIONAL COMMITTEE				
	Notes:						

Master Continued (19058)

1	COMMON COUNCIL ORGANIZATIONAL COMMITTEE	07/20/2010	Return to Lead with the Following Recommendation(s)	BOARD OF ESTIMATES	07/26/2010	Pass
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Action Text: Registrations:

Larry Rodenstein, 7318 Countrywood Lane, Madison/AFSCME Local 60 - Opposed/Spoke
Douglas Peterson, 619 E. Johnson Street, Madison - Opposed/Did Not Speak
June Goglio, 944 E. Dayton Street, Madison - Opposed/Did Not Speak
Darold Lowe, 205 Crystal Lane, Madison - Opposed/Did Not Speak
Lori Kief, 4413 Doe Crossing Tr, Madison - Opposed/Did Not Speak
Davin Pickell, 17 Merrill Crest Dr, Madison/AFSCME Local 60 - Opposed/Spoke
Joe Sensenbrenner, 818 Prospect Pl, Madison - Supported/Did Not Speak
Deirdre Garton, 350 S. Hamilton St, #306, Madison - Supported/Did Not Speak

Larry Rodenstein spoke in opposition to the resolution. He requested that the language needed to reflect a stronger position by the city to retain current represented city employees.

Ald. Shiva Bidar-Sielaff moved the following amendments, considered friendly, seconded by Ald.

Lauren Cnare:

In #1 - add language "including projected capital and operating budgets" after "...future of Overture...".

In #1 - add language "for approval" after "...shall be presented to the Common Council...".

#4 becomes #5 - delete "from time to time", add "on a monthly basis starting with the 1st meeting in September 2010" after "...with Council Leadership and shall...". and add "and the Common Council Organizational Committee" after "...the Board of Estimates...".

Ald. Shiva Bidar-Sielaff moved the following additional amendment, considered friendly, seconded by Ald. Lauren Cnare:

New #4 - "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."

CCOC recessed at 6:29 p.m.

CCOC reconvened at 8:51 p.m.

Ald. Marsha Rummel moved the following amendment, considered friendly, seconded by Ald. Michael Schumacher:

In #1 - add language "selected by the Mayor and approved by the Council" after "An independent citizens group...".

Ald. Michael Schumacher moved the following amendment, considered friendly, seconded by Ald.

Marsha Rummel:

New #5 and #5 becomes #6 - "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."

Ald. Marsha Rummel moved the following amendment, Ald. Mark Clear and Ald. Bryon Eagon objected to the amendment being considered friendly, seconded by Ald. Michael Schumacher:

#3(d) - Strike words "to extent possible".

At this time Davin Pickell spoke in opposition to the resolution.

Ald. Shiva Bidar-Sielaff moved the following amendment:

#3(d) - add the word "represented" after "...that no current...".

Ald. Marsha Rummel withdrew her amendment and Ald. Marsha Rummel moved a substitute amendment, considered friendly, seconded by Ald. Michael Schumacher:

#3(d) - Strike words "to extent possible" and add the word "represented" after "...that no current...".

On the amendments, 6-0 vote: Ayes: Clear, Cnare, Bidar-Sielaff, Rummel, Eagon, Schmidt, Schumacher; Non-Voting: Bruer

A motion, as amended, was made by Ald. Lauren Cnare, seconded by Ald. Shiva Bidar-Sielaff, to Return to Lead with the Following Recommendation(s) to the BOARD OF ESTIMATES:

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.
3. d. Adequate plans to assure that no current represented employees of the City who work at Overture are involuntarily laid off.
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.
6. That during the course of any negotiations, the Mayor shall consult with Council leadership and shall on a monthly basis starting with the 1st meeting of September 2010 advise the Board of Estimates and the Common Council Organizational Committee regarding the progress of negotiations.

The motion passed by voice vote/other.
Notes: Amended Changes from 7/20/10 CCOC meeting:

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 1st meeting of September 2010 advise the Board of Estimates and the Common Council Organizational Committee regarding the progress of negotiations.

1 BOARD OF ESTIMATES 07/26/2010 RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER Pass

Action Text: A motion was made by Bruer, seconded by Rhodes-Conway, to RECOMMEND TO COUNCIL TO ADOPT - with recommended CCOC changes and add language to #4: "regarding future representation of Overture Center employees or future Overture Center staffing structure" after "...Overture Staff..." - REPORT OF OFFICER. The motion passed by the following vote:

Notes: The motion passed by the following vote: 5:1: (AYE: Bruer, Verveer, Clausius, Rhodes-Conway; NO: Sanborn; NON VOTING: Cieslewicz)

Absent: 1 Mark Clear

Ayes: 4 Tim Bruer; Michael E. Verveer; Joseph R. Clausius and Satya V. Rhodes-Conway

Noes: 1 Jed Sanborn

Non Voting: 1 David J. Cieslewicz

Text of Legislative File 19058

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 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 shall be presented to the Common Council.
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 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. That during the course of any negotiations, the Mayor shall consult with Council leadership and shall, from time to time, advise the Board of Estimates regarding the progress of negotiations.