

MEMORANDUM

TO: Claire Powell, City Manager

FROM: James Kunke, Director of Community Relations & Tourism

DATE: November 21, 2022

SUBJECT: **Approval of a Professional Services Agreement With Corgan Associates, Inc., in the Amount of \$61,575 to Perform a Feasibility Study for Possible Expansion of Lewisville Grand Theater**

BACKGROUND

The city's public art center, Lewisville Grand Theater, opened in January 2011 at 100 N. Charles Street in the heart of historic Old Town Lewisville. It was envisioned as a public gathering space that would provide public exposure to the fine and performing arts while drawing residents and visitors to the downtown district.

Since opening, the Grand has drawn an average of more than 35,000 visitors per year with as many as 230 public events and exhibits annually plus dozens of private events. The facility often operates at maximum capacity. Some long-time clients have outgrown the facility and moved to other venues, while some potential business has been turned away because it could not be accommodated by the size and schedule capacity of the current building. In anticipation of this, the City has previously acquired adjacent property through two purchases in preparation for possible expansion.

During design of Lewisville Grand Theater, a consultant conducted a feasibility study on behalf of the city to determine what type of facility would be expected to thrive in the Lewisville market. The final design of the building was directly impacted by the findings of that feasibility study. As the City considers possible expansion of the Grand within the next 5-10 years, a new feasibility study would help determine whether market conditions support a facility expansion and what form that expansion should take.

ANALYSIS

Staff sent an RFP document to five consulting firms that have performed feasibility studies for similar projects in North Texas during the past three years. Four proposals were received. The proposal from Corgan Associates received the highest evaluation marks. Among other projects, Corgan was involved in architecture and interior of the Coppell Arts Center and the Moody Performing Arts Center in Dallas along with projects in Frisco, Waco, Round Rock, and San Marcos.

The study will include a comprehensive market assessment that evaluate the potential for regional audience development around Lewisville, discussions with regional arts producers to research current and potential user demand, a competitive analysis within the North Texas market, and

research in the potential to attract touring programs.

Areas to be evaluated include whether an expansion should add onto the existing facility or be a stand-alone structure, either at the current site or at a different location. The study will address the potential demand for visitor access and parking related to the expansion. While the study will not directly identify options for a public-private development that would incorporate an art center expansion with commercial uses, staff has made the contactor aware that this possibility should be addressed in some way.

Operational impacts will be included in the study because any significant expansion is likely to require additional staffing. The art center originally was staffed by two full-time employees, which quickly expanded to four employees within the first few months. The budget for FY 2022-23 includes seven full-time employees supported by two part-time pools.

Finally, if an expansion is supported by the market analysis, Corgan will make recommendations to the City about next steps for expansion.

If results of the feasibility study are positive, this project will be submitted to the Blue Ribbon Committee for consideration as that group develops its recommendations for a possible November 2023 bond election.

The agreement with Corgan includes total compensation of \$61,575 plus expenses for travel and similar ancillary costs. The scheduled completion date of Feb. 15 would allow results of the study to be presented to the City Council before a formal submission is made to the Blue Ribbon Committee.

RECOMMENDATION

It is staff's recommendation that the City Council approve the agreement and authorize the City Manager, or her designee, to execute the agreement as set forth in the caption above.