

**MINUTES
CITY OF DEKALB
COMMITTEE OF THE WHOLE MEETING
JANUARY 23, 2017**

The City Council of DeKalb, Illinois held a Committee of the Whole meeting on January 23, 2017 in the City Council Chambers of the DeKalb Municipal Building, 200 South Fourth Street, DeKalb, Illinois.

Mayor Rey called the meeting to order at 5:00 p.m.

A. ROLL CALL

City Clerk Jennifer Jeep Johnson called the roll, and the following members of the City Council were present: Alderman David Jacobson, Alderman Bill Finucane, Alderman Michael Marquardt, Alderman Bob Snow, Alderman Kate Noreiko, Alderman Tony Faivre and Mayor John Rey. Alderman Dave Baker arrived at 5:02 pm.

Also present were: City Manager Anne Marie Gaura, Assistant City Manager Patty Hoppenstedt, Management Analyst Lauren Stott, City Attorney Dean Frieders, Finance Director Cathy Haley, Police Chief Gene Lowery, Fire Chief Eric Hicks, Community Development Director Jo Ellen Charlton, Economic Development Planner Jason Michnick, Public Works Director Tim Holdeman, City Engineer John Laskowski, Information Technology Director Marc Thorson, I&T Technician Jeff Birtell, and City Clerk Jennifer Jeep Johnson.

B. ITEMS ALSO ON THE REGULAR AGENDA

There were none.

C. CONSIDERATIONS

1. Egyptian Theatre Business Planning Feasibility Assessment.

Assistant City Manager Patty Hoppenstedt introduced the topic at hand. She explained the study aligned with the goals laid out in the 2025 Strategic Plan and introduced Janis Barlow and Dulcie Gilmore of Janis Barlow & Associates.

Ms. Barlow introduced the topic, providing an overview of the study:

1) Introduction and Asset review:

Ms. Barlow explained that the Egyptian Theatre fits very well within the goals that the City has defined, including place-making, destination gathering, collaboration with NIU, etc.

Ms. Gilmore introduced herself, and the team charged with conducting the study.

Ms. Barlow provided additional background information on the organization, including their credentials.

Regarding the Egyptian Theatre, Ms. Barlow said they found it to be an excellent candidate for updating based on the quality, scale, and importance of the Theatre.

The initial question raised was whether or not to air condition the Theatre, but was broadened to consider how the Egyptian Theatre can best be utilized in DeKalb. Ms. Barlow provided additional information on the Theatre. She added that in order for it to realize its full potential, some changes could be made to the physical space, including the addition of air-conditioning for year round use.

2) Market Area and Community Needs:

Renting is the major business of the Theatre, and most ticket buyers come from within 20 minutes away. Ms. Barlow stated that the potential is to draw ticket buyers from an hour or further away, which would add up to two million potential buyers.

Ms. Gilmore provided information on where the audiences come from. They highlighted that they anticipated that audiences could be quadrupled, and the Theatre could be a regional performing arts center if the physical needs are met.

They highlighted that 438 surveys were completed by community members of DeKalb, saying it was an indication of how the community feels about the Theatre.

Ms. Barlow provided additional information on the surveys conducted, including that 87% of the respondents stated that the Theatre warranted municipal support.

Ms. Gilmore stated that the public brand is "historic", "beautiful", and "DeKalb." Ms. Barlow added that the Theatre and DeKalb are synonymous to many in the City.

Ms. Barlow stated that an alternative model might need to be developed for sustaining the Theatre.

3) Business Model and Programming:

Ms. Gilmore stated that Theatre is very restricted given its physical limitations, including its very limited backstage space. She suggested that a new model could take shape once the physical space is changed. She added her strong feelings that NIU must be a part of the process. She believes there is an opportunity of seasonal programming that would help bring in the downtown merchants. She sees that it is entirely possible to be a regional arts center.

Ms. Gilmore provided a comparison of how the Theatre worked as a system back when it was built and how it's now done, as a way of pointing out how the needs of the space have changed, and what would need to be addressed to allow the physical space to support the full potential of programming.

Ms. Barlow added that the front of the house space is not adequate for the needs of contemporary audiences, nor is the performance space.

Ms. Barlow provided an overview of the various functions typically found within a theatre organization, and provided what the Theatre works with, which is the equivalent of three full time people for eight months. She said it is one of the smallest staffs, and smallest budgets for any theatre of its size in America.

Additional information was provided.

Ms. Barlow highlighted that through no fault of their own, the P.E.T. (Preservation of the Egyptian Theatre) is not able to provide the programming that would be the kind of draw that would bring in bigger regional audiences.

Ms. Barlow explained that the City would be creating a new regional arts center that would be on par with the new library. She suggested a public/private sector partnership, as it is the model that most theatres of this size follow. She stated there is always an investment on the part of the municipality in order to receive far more back.

Ms. Barlow highlighted the importance of the arts regarding social impact, education, and community as a whole, drawing upon research from Americans for the Arts.

Economic Development Planner Michnick reported on the economic impact of the Theatre, stating the total potential monetary impact could be \$3.7 to \$7.3 million spent directly at businesses in DeKalb, should the expansion occur.

Ultimately the current state is not sustainable, and the successful performing arts center is the best business model.

Ms. Barlow recommended that the Council undertake further examination, or a phase II of the study.

Mayor Rey thanked Ms. Barlow and Ms. Gilmore for their report, as well as the work put in by City staff.

Alderman Noreiko thanked Ms. Barlow and Ms. Gilmore, and asked what City ownership would mean. Ms. Gilmore explained that the funding for the expansion will most likely come from the City, while operation of the Theatre would be taken over by a private entity. She added that ownership, management, and governance, as well as a public private partnership is the key to success here.

Alderman Snow stated his appreciation for the Theatre, and pointed out there would be a change of ownership, but no purchase. He stated that the City has received more than its investment back from the Theatre. He supports further exploration of ways to support the Theatre.

Alderman Jacobson stated he is unsure that the City is receiving an economic impact. He remains unsure that the Theatre would be a good investment, and believes the City should move slowly.

Alderman Finucane agreed that the City needs to move slowly.

Alderman Baker provided historical background on the Theatre. He stated his support for moving the Theatre forward, and believes it is vital to the downtown area.

City Manager Gaura stated the Theatre could be the thing that addresses many of the pressing considerations the community often raises. She stated that to move forward, the City Council and the Theatre Board would have to collaborate.

D. PUBLIC PARTICIPATION

P.E.T. President Jeff Keppler thanked the City and Janis Barlow & Associates. He stated that the Theatre had been involved with the study from the beginning, and they contributed throughout. He provided additional information on the P.E.T., which was formed to save the Theatre. He added that the board is excited for the coming months, and he asked the community to step forward and get involved.

Mayor Rey thanked everyone.

E. RECESS FOR EXECUTIVE SESSION OF THE CITY COUNCIL

1. Approval to Hold an Executive Session to Discuss Personnel as Provided for in 5 ILCS 120/2(c)(1).
2. Approval to Hold an Executive Session to Discuss Purchase or Lease of Real Property as Provided for in 5 ILCS 120/2(c)(5).
3. Approval to Hold an Executive Session to Discuss Pending or Imminent Litigation as Provided for in 5 ILCS 120/2(c)(11).

None of the Executive Session citations listed above were acted on.

F. ADJOURNMENT

MOTION

Alderman Noreiko moved to adjourn; seconded by Alderman Marquardt.

VOTE

Motion carried on an 8-0 voice vote. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Faivre, Rey. Mayor Rey declared the motion passed and concluded the meeting at 6:29 p.m.

JENNIFER JEEP JOHNSON, City Clerk

Approved by City Council: February 27, 2017.