



*City of Arts & Innovation*

# City Council Memorandum

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**TO: HONORABLE MAYOR AND CITY COUNCIL                      DATE: MAY 16, 2017**

**FROM: OFFICE OF THE CITY MANAGER                              WARDS: ALL**

**SUBJECT: MEMORANDUM OF UNDERSTANDING FOR UP TO 12 MONTHS WITH RICHARD 'CHEECH' MARIN AND RIVERSIDE ART MUSEUM TO CONDUCT INVESTIGATORY ANALYSES OF THE EXISTING CITY OF RIVERSIDE MAIN LIBRARY BUILDING LOCATED AT 3581 MISSION INN AVENUE FOR THE PURPOSE OF DETERMINING THE FEASIBILITY OF A PUBLIC CENTER FOR CHICANO ART, CULTURE AND INDUSTRY**

**ISSUE:**

The issue for City Council consideration is whether the City of Riverside should enter into a Memorandum of Understanding for up to 12 months with Richard “Cheech” Marin (“Cheech Marin”) and Riverside Art Museum (“RAM”) to conduct investigatory analyses of the existing City of Riverside Main Library located at 3581 Mission Inn Avenue, for the purpose of determining the feasibility of a public center for Chicano Art, Culture and Industry (“Marin Center”).

**RECOMMENDATION:**

That the City Council:

1. Approve a Memorandum of Understanding (MOU) for up to 12 months with Cheech Marin and RAM to establish a period during which Cheech Marin, RAM, and the City of Riverside jointly will conduct investigatory analyses of the existing City of Riverside Main Library located at 3581 Mission Inn Avenue, for the purpose of determining the feasibility of a public center for Chicano Art, Culture and Industry; and
2. Authorize the City Manager, or his designee, to execute the Memorandum of Understanding and make minor non-substantive changes.

**BACKGROUND:**

**Current Main Library**

On February 23, 2016, the City Council voted unanimously to authorize staff to begin plans for the construction of a new Main Library building at the former RTA/bus terminal site on Mission Inn Avenue just west of Market Street. That same evening, the City Council authorized the City Manager to enter into an Exclusive Negotiating Agreement with the Discovery Science Foundation for up to 12 months to conduct appropriate analyses regarding the possibility of establishing a children’s science and technology educational institute as a reuse for the current Main Library

building at 3851 Mission Inn Avenue. That process concluded with the City and the Discovery Science Foundation agreeing that such an institute, while very much needed in Inland Southern California, was nevertheless economically not feasible at this time.

The current Main Library building is located within the City's Raincross District, a planning area which was designated in the downtown Specific Plan adopted by the City Council in November 2002. The Downtown Raincross District aspires to be and is the cultural, historic and social center of both Riverside and Inland Southern California. Consequently, the Riverside City Council has given clear direction to city staff that any reuse of the current Main Library must serve as a cultural asset open to the general public.

### **“Cheech” Marin and the Importance of Chicano Art**

Cheech Marin is a well-known comic actor who grew up and still lives in Southern California. Over the past 30-35 years he has accumulated what is widely believed to be the world's largest collection of Chicano art pieces – over 700 works of art. However, it would be a mistake to regard Mr. Marin merely as a major Chicano art collector; more importantly, he is a passionate advocate for this emerging genre of American art. Mr. Marin has shared various parts of his extensive collection for specific exhibitions with dozens of museums around the nation. His purpose: to promote Chicano artists and to validate Chicano art and culture as a legitimate and vital creative reflection of the American experience.

### **“Cheech” Marin’s Show at RAM**

On February 2, 2017, Cheech Marin and RAM collaborated to open an exhibition called “Papel Chicano Dos: Works on Paper.” The opening night of this show, which featured a small portion of Cheech Marin's collection, had the largest crowd RAM has seen for an exhibit's opening night. Since then, the museum has had attendance triple the average for a RAM exhibit. Over the past decade RAM has become much more active in promoting the role of art and culture in many of Riverside's historically underserved communities.

The threefold increase in attendance at RAM for the Cheech Marin show, the City's desire for an appropriate, yet economical, cultural reuse of the Main Library, Cheech Marin's long held desire to find a permanent home for his historically significant Chicano art collection, together with the fact that more than half of Riverside's population is of Chicano/Latino heritage, prompted the City staff to approach RAM and Cheech Marin with the proposal that is before the City Council for conceptual approval tonight.

## **DISCUSSION:**

### **The Proposed Memorandum of Understanding (MOU)**

The MOU is the document that describes the process and initial outline for the City, RAM and Cheech Marin to follow in exploring the feasibility of a Cheech Marin Center for Chicano Art, Culture, and Industry. The MOU will become effective upon signature by all the parties and will last until 28 February 2018, unless extended for an additional 90 days by agreement of all parties. Staff recommends the City Manager be authorized at this time to sign any extension should such extension be in the City of Riverside's best interest.

## Fundraising

During the nine (9) to twelve (12) month MOU period, the parties will conduct a fundraising campaign to pay for the conversion of the Main Library into the Marin Center. The fundraising goal for the MOU term is a minimum of \$3 million. The City's Department of General Services has conducted an initial assessment for converting the building to a museum, including a much needed replacement of the roof, upgrades to the HVAC system, and major repairs to one of the two elevators. Based on this assessment, City staff believes the Marin Center will require \$5 Million-\$7 Million for complete renovation into a top quality museum and center for academic inquiry.

If the parties to the MOU are unable within the MOU period to secure written pledges of \$3 Million – which is about half of what the City currently estimates is required for the full renovation of the current Main Library – then all parties will be relieved of any further obligation to continue working on the project. City staff is extremely optimistic that the vision of the nation's first Center for Chicano Art, Culture and Industry, combined with RAM's demonstrated capacity to secure resources and Cheech Marin's passionate advocacy and celebrity, makes the fundraising goal achievable and reasonable. The City is obligated under the proposed MOU to retain appropriate consultants to collaborate with RAM and Cheech Marin in the creation of a relatively firm cost estimate and interior design for the new Marin Center. Staff estimates that these consultants will cost the City between \$50,000 and \$100,000.

## Anticipated Legal Agreements

The MOU will also anticipate the negotiation of two legal agreements among the parties which will govern the future operation of the proposed Marin Center. One agreement will be between Cheech Marin and RAM to set the terms under which Cheech Marin's art collection, in whole or significant part, comes to be housed in Riverside, displayed as the heart of the Marin Center's collection, studied by art academicians, and "toured" to other museums around the world. The City, because it has vital interest in all of these decisions, will be named as a beneficiary to the Cheech Marin/RAM agreement

The other agreement will be a long term management contract through which the City will hire RAM, an organization with successful experience in running art museums, to run all aspects of the Marin Center. Cheech Marin has a strong interest in this management agreement and, therefore will be a beneficiary of the City of Riverside/RAM agreement. Any City of Riverside/RAM agreement will, of course, be scheduled for public discussion at an open meeting of the City Council and subject to the Council's approval.

The City will retain full ownership of the current Main Library; there will be no lease to RAM. Consequently, there are benefits and burdens to the City as the continuing owner and about which Councilmembers should be aware.

- The City will not be obligated to pay for any of the costs to convert the current Main Library into the Marin Center. This means that the City's facility will receive a new roof, HAC upgrades, a new elevator, and a sprinkler system for fire safety at no cost to the taxpayers. These building improvements are valued at \$1.52 Million.

As noted above, the MOU contemplates a long term Management Agreement whereby the City will retain RAM to staff and operate the Marin Center. Preliminary discussions between City staff

and RAM have yielded an annual estimate of \$550,000 to \$575,000. The City would also be obligated to provide utility and building maintenance services to the building. Staff estimates this cost at approximately \$200,000-\$350,000. Therefore, the **total annual expenditure for the operation of the Marin Center should range between \$750,000 and \$925,000.**

This compares very favorably to the Metropolitan Museum of Riverside where salary and benefits alone cost the City in excess of \$1.5 Million annually.

Additionally, the MOU establishes that every admission to the Marin Center will be subject to a Facility Fee charge of \$1 for minors and \$2 for all adults. Half of the revenue generated by this Facility Fee charge will defray the City's annual operating expenditure for the Marin Center; the remaining 50% of this revenue stream will be placed into a "sinking fund" dedicated to the building to cover long term depreciation. The City will have sole discretion over the use of the "sinking fund" but agrees to consult with RAM and Cheech Marin regarding all major repairs and upgrades.

**CONCLUSION:**

The Cheech Marin Center for Chicano Art, Culture and Industry is an appropriate proposed reuse for the current Main Library that fits the City's existing downtown plan, is entirely consistent with Riverside's aspiration to be a City of Art and Innovation, honors our community's commitment to diversity, enhances Riverside's attractiveness to tourists, artists and investors, raises Riverside's national profile as an emerging 21<sup>st</sup> Century city, and achieves all of this with a high level of financial prudence and planning. City staff believes this proposal is well worth pursuing and strongly recommends Council grant the City Manager authority to execute the attached Memorandum of Understanding as well as a 90 day extension, should such an extension be advantageous to the City.

**FISCAL IMPACT:**

**There will be a fiscal impact of up to \$100,000 associated with hiring consultants for renovation and interior design cost estimates.**

Prepared by: John A. Russo, City Manager  
Certified as to  
availability of funds: Scott G. Miller, PhD., Chief Financial Officer/City Treasurer  
Approved as to form: Gary Geuss, City Attorney

Attachment: Proposed Memorandum of Understanding