

GENERAL Ordinance Fact Sheet

Brief Title: _____ **Approval Deadline** _____

Renewal of Agreement with Key Brand Entertainment (Broadway Across America)

Reason: _____

Allows lead time for Broadway Across America to secure top rated Broadway shows to the Music Hall at Municipal Auditorium

Details

Reason for Legislation

Authorizing the Director of Convention and Entertainment Facilities to renew a seven (7) year agreement with three (3) renewable options with Key Brand Entertainment (Broadway Across America) to be the exclusive provider of Broadway shows in the Music Hall at Municipal Auditorium. The current agreement with Key Brand will expire on August 31, 2017.

Discussion *(including relationship to other Council actions)*

Key Brand invests millions of dollars each year to promote and produce Broadway shows. With the lead time and investment required to secure top rated Broadway shows Key Brand needs a long term agreement at the Music Hall.

Key Brand will provide the following:

- Guarantee a minimum of four (4) Broadway shows at the Music Hall annually.
- Pay City a base rent of \$17,500 per program week with a 4% annual increase for each twelve (12) months of term.
- Add an additional \$1.00 to each ticket sold for Broadway shows that will go into a special fund for future renovations at the Music Hall.
- Pay the City \$5.00 per paid ticket sold as a share from ticketing revenue at ticketing outlets, internet sales and telephone sales.

Benefit to City of Kansas City over a ten (10) year period

- Estimated sales tax on tickets; \$4.4 million
- Estimated facility rental revenue to Bartle Hall; \$1.8 million
- Estimated special fund fees; \$1.1 million
- Estimated parking revenue; \$1.9 million

Positions/Recommendations

| | |
|--|--|
| Sponsor | Councilman Scott Taylor |
| Programs, Departments, or Groups Affected | Department of Convention & Entertainment Facilities |
| Applicants / Proponents | Applicant City Department |
| Opponents | Other Groups or Individuals |
| Staff Recommendation | Basis of opposition <input type="checkbox"/> For <input type="checkbox"/> Against Reason Against |
| Board or Commission Recommendation | By <input type="checkbox"/> For <input type="checkbox"/> Against <input type="checkbox"/> No action taken <input type="checkbox"/> For, with revisions or conditions (see details column for conditions) |
| Council Committee Action | <input type="checkbox"/> Do pass <input type="checkbox"/> Do pass (as amended) <input type="checkbox"/> Committee Sub. <input type="checkbox"/> Without Recommendation <input type="checkbox"/> Hold <input type="checkbox"/> Do not pass |

| Details |
|---------|
| |

| Policy/Program Impact | |
|--|---|
| Policy or Program Change | X No <input type="checkbox"/> Yes |
| Operational Impact Assessment | None |
| Finances | None |
| Costs & Revenue Projections - Including Indirect Costs | None |
| Financial Impact | None |
| Fund Source(s) and Appropriation Account Codes | None |
| Is this Ordinance or Resolution Good for the Children | Yes, the agreement will allow the Music Hall to present family oriented Broadway Shows that entertain children. |

Applicable Dates:

Prepared by: Mark Cunningham

Reviewed by:

Reference Numbers