

**JOINT MEETING OF THE KERRVILLE CITY COUNCIL January 23, 2017
AND CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION**

On Monday January 23, 2017, Mayor Bonnie White called the Kerrville City Council to order, and President Gary Cochrane called the City of Kerrville, Texas Economic Improvement Corporation to order at 9:00 a.m. in the lobby of city hall, 701 Main Street, Kerrville, Texas.

City Council Members Present:

Bonnie White, Mayor
Stephen P. Fine, Mayor Pro-Tem
Glenn Andrew, Councilmember

Members Absent:

Mary Ellen Summerlin, Councilmember
Gene Allen, Councilmember

EIC Members Present:

Gary Cochrane, President
Sheri Pattillo, Vice President
Delayne Sigerman
Paul Stafford
Kenneth Early
James Wilson

Members Absent:

Mary Ellen Summerlin

City Executive Staff Present:

Don Davis, Interim City Manager
EA Hoppe, Deputy City Manager
Brenda G. Craig, City Secretary
Ashlea Boyle, Assistant Parks and Recreation Director
Kaitlin Berry, Special Projects Manager

Playhouse 2000 (P2K) Board of Directors Present:

Susan Balentine	Stephen Fine
Arthur Bell	Paul Stafford
James Wilson	George Stieren
Ken Harris	Delayne Sigerman
Nancy Watts	
Jeffrey Brown, Executive Director	

Visitors Present:

Steve Huser, owner of Arcadia Theater
Charlie McIlvain, President and CEO, Convention and Visitors Bureau (CVB)
Walter Koenig, President, Chamber of Commerce
Kim Clarkson, Chamber of Commerce
Bryan O'Connor, Executive Director, Kerr Economic Development Corporation

TOUR OF ARCADIA THEATER, 717 WATER STREET, BY STEVE HUSER

Mr. Huser noted the building was originally constructed in 1929 in Santa Fe style, and a complete remodel was done in 1950 to the current art deco style. To

qualify for a state historical marker, the building would have to be remodeled to its original Santa Fe style. The Arcadia closed in 1984. The building comprised 13,000 sq. ft.

Mr. Huser noted the following items had been achieved:

- The city acquired an easement for side egress about five years ago when the bank closed.
- A new roof was installed, and the building was 80% sprinklered, had new electric wiring and air conditioner, and fiber optics had been installed.

Mr. Huser noted the following items were necessary prior to opening the Arcadia to the public:

- Need to meet federal disability regulations, including installing an elevator.
- The balcony section and upstairs offices should be removed or remodeled.
- Complete footing in back of the building overlooking the river.
- Install fire alarm system and complete the sprinkler system.
- New women's restrooms.
- Replace front doors.
- New electric, sound and light systems.

The tour ended at 10:00 and the meeting reconvened in the upstairs conference room at city hall.

Jeffrey Brown discussed the following:

- The Arcadia offered a different venue and was a viable alternative to existing Cailloux Theater properties. He suggested a marketing partnership with CVB and an aggressive campaign for sponsorships for construction and/or events.
- P2K did not want to take on additional venues that might detract or stretch financial and staff resources away from the Cailloux Theater facilities. In order for P2K to take on a management role of the Arcadia, it would require an increase in staff and funding. Any agreement for P2K participation to manage the Arcadia must include financial commitment and guarantee that support for the Arcadia would not affect P2K's current operation.
- Estimated it would require \$60,000-120,000 each year for the first three years to open the Arcadia; thereafter, the annual operations would require \$150,000 per year, including management and utilities, with the cost to be offset by events and rentals.
- Additional assets would also be needed for build out, tables, chairs, lights, and sound system.
- The Arcadia should be able to support catering, estimated at \$350,000-400,000; this could be phased in.
- The P2K board was mixed on the proposal for P2K to manage the Arcadia.

Council noted the city had accrued some hotel occupancy tax funds designated for the Arcadia.

Mr. Davis noted the consensus was that city staff should work with Mr. Brown to put together an estimate of cost, expenditures, partnerships, economic impact, and schedule a future meeting. Staff would also determine the legality of a public/private partnership using HOT and EIC funds.

ADJOURN: The meeting adjourned at 10:48 a.m.

Date Approved: 02/14/2017

Kerrville City Council:

Economic Improvement Corporation:

Bonnie White, Mayor

Gary Cochrane, President

ATTEST:

_____, Brenda G. Craig, City Secretary