

## **RESOLUTION 2025-0145**

Adopted by the Sacramento City Council

May 27, 2025

### **Agreement: Sublease Agreement between the City of Sacramento, YMCA of Superior California and Capitol Area Development Authority for a Music Hub at 1515 8<sup>th</sup> Street**

#### **BACKGROUND**

- A. In late 2023, the Capitol Area Development Authority (CADA) approached the City of Sacramento's Department of Convention & Cultural Services (CCS) about a property that would become available within their portfolio and to gauge interest and capacity of the department to activate the space on a temporary or long-term basis with an arts focus.
- B. After engaging in a series of conversations with CADA about the property, CCS determined the full site was too much to take on and that certain elements of the complex would cost too much to transform.
- C. CADA brought the YMCA of Superior California (YMCA) into conversation and the team determined that a shared use of the site was a possibility.
- D. YMCA took up a lease to the whole building, with the intent that CCS would become a subtenant for a smaller portion of the space (just over 9,000 square feet).
- E. The vision for CCS subtenancy is to create a vibrant hub for music and musician development, inviting folks from every stage of their life and careers to participate in programming there. The space will also prioritize cross-disciplinary programming focused on music and healing. Finally, we anticipate the space will serve as a center for community convenings within the creative sector.
- F. CCS is seeking authority to enter into a sublease with the YMCA of Superior California and CADA to advance the above vision.
- G. CCS will pay a base rent of \$1,500 per month, 10% of all gross revenues annually (less the base rent paid), and 20% of operating expenses and utilities. CCS will transfer \$250,000 from the Creative Edge MYOP to the 1515 8<sup>th</sup> Street Lease MYOP to cover the annual costs of the space. CCS expects to recover costs through rentals, ticket fees, programming revenue and other strategic partnerships.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

**SECTION 1.**

The City Manager or designee is authorized to execute the sublease agreement for 1515 8<sup>th</sup> Street with YMCA of Superior California and the Capitol Area Development Authority.

**SECTION 2.**

The 1515 8<sup>th</sup> Street Lease MYOP (I17001200) is established.

**SECTION 3.**

The City Manager or designee is authorized to transfer \$250,000 (Innovation and Growth Fund, Fund 2031) from the expenditure budget in the Creative Edge MYOP (I02181100) to the expenditure budget in the 1515 8<sup>th</sup> Street Lease MYOP (I17001200).

Adopted by the City of Sacramento City Council on May 27, 2025, by the following vote:

Ayes: Members Dickinson, Jennings, Maple, Pluckebaum, Talamantes, and Vang

Noes: None

Abstain: None

Absent: Members Guerra, Kaplan, and Mayor McCarty

Attest:  06/05/2025

Mindy Cuppy, City Clerk

*The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.*