



CITY OF COOS BAY URBAN RENEWAL AGENCY
Agenda Staff Report

MEETING DATE	AGENDA ITEM NUMBER
February 21, 2012	

TO: Chair Melton and Board Members

FROM: Joyce Jansen, Economic Revitalization Administrator 
Through: Rodger Craddock, City Manager 

ISSUE **Approval of an Amendment to the Memorandum of Understanding with the Egyptian Theatre Preservation Association to Add a Policy for Managing Restricted Donations**

BACKGROUND

The Memorandum of Understanding (MOU) between the City of Coos Bay Urban Renewal Agency and the Egyptian Theatre Preservation Association was approved in November 2011. The purpose of the MOU is to designate the roles and responsibilities of the Urban Renewal Agency, Egyptian Theatre Preservation Association, and the Egyptian Theatre Restoration Steering Committee with the Egyptian Theatre restoration project. The theatre was closed for public use March 15, 2011. In the interim, the preservation association has continued with fund raising, donations, and membership dues. Membership dues and operation donations are used to fund movies, events, normal operating expenses, and maintaining an office.

A separate bank account has been established for funds received for the purpose of restoring the theatre. A policy has been developed to manage the donated funds in the unlikely event that efforts to restore the Egyptian Theatre must be abandoned. The Egyptian Theatre Preservation Association adopted a Restricted Donations Policy at their January board meeting, and they have requested the Urban Renewal Agency add a restricted donations policy to the MOU. The city attorney has prepared an amendment to the MOU creating a policy for management of restricted donations for the Egyptian Theatre Restoration Project.

BUDGET IMPLICATIONS

There will not be an impact to the Agency's budget.

ADVANTAGES

The policy provides a method to handle the funds in the event the restoration project is abandoned.

DISADVANTAGES

None identified.

ACTION REQUESTED

If it pleases the Agency, approve the amendment to the Memorandum of Understanding adding the policy for managing restricted donations.

Amendment to the Memorandum of Understanding

An amendment to the Memorandum of Understanding between the City of Coos Bay Urban Renewal Agency and the Egyptian Theatre Preservation Association creating a policy for management of restricted donations for the Egyptian Theatre Restoration Project.

1. Restricted donations shall be defined as donations made specifically for the restoration/renovation of the Egyptian Theatre, or for any component project associated with the restoration/renovation of the Egyptian Theatre.
2. All funds collected from restricted donations for a particular project will be considered as having been made at the same time and used in equal proportion. The remaining, unused restricted funds donated by an individual/entity for a particular project will be calculated by applying the ratio of the total restricted donation funds remaining for that project at the time that project is stopped (after all outstanding project debts are paid), to the total funds collected for restricted donations for that project.
3. Where \$250 or more of restricted donation funds remain associated with a donor, efforts will be made to contact the donor to determine what should be done with the remaining funds associated with that donor. The donor will be given the choice of:
 - a. Designating another charitable organization (501(c)(3) registered organization) to receive the remaining funds. The ETPA will send the funds to the designated organization together with a letter identifying the original donor and stating that these are funds for which a tax deduction letter has previously been provided to the donor. The ETPA board may recommend a particular 501(c)(3) charity to receive the funds, but the donor can specify any 501(c)(3) organization they wish their remaining funds to go to.
 - b. Returning the remaining funds associated with the donor to the donor. In this case the donor will be told that it is their legal responsibility to inform the federal and state tax authorities of funds they received back for which they have previously taken a tax deduction.
4. All anonymous restricted donation funds remaining, all remaining funds associated with a donor that are below \$250, and all remaining funds associated with donors who cannot be located will be given to 501(c)(3) registered charitable organizations selected by the ETPA board.

The amendment to the Memorandum of Understanding was adopted by the City of Coos Bay Urban Renewal Agency on February __, 2012 and shall be effective at the time of signature.

Gene Melton, Chair

Date

Memorandum of Understanding

Between City of Coos Bay Urban Renewal Agency
500 Central Avenue
Coos Bay OR 97420

And Egyptian Theatre Preservation Association
229 South Broadway
Coos Bay OR 97420

Date November 15, 2011

PREAMBLE

WHEREAS, the Egyptian Theatre is of great historic value to the community and is essential for the revitalization of the downtown district, and

WHEREAS, it is the goal of the City of Coos Bay Urban Renewal Agency ("Agency") and the Egyptian Theatre Preservation Association ("Association") to restore the historic Egyptian Theatre, and

WHEREAS, the Agency has committed resources in the form of funding and staff services for the restoration of the theatre, and

WHEREAS, the Association has continued with fundraising events, membership retention and recruitment efforts, local support endeavors, and seeking grant funds, and

WHEREAS, the Egyptian Theatre Restoration Steering Committee ("Committee") was established June 21, 2011 and is comprised of three board members from the Agency, three board members from the Association, and the Economic Revitalization Administrator, and

WHEREAS, the purpose of the Committee is to move the restoration project forward in an efficient and effective manner providing the Agency and Association boards the ability to continue their normal business operations.

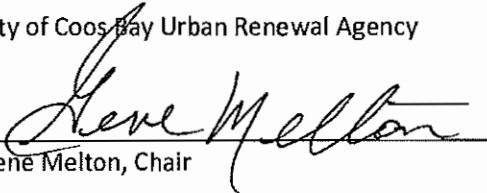
AGREEMENT

1. The Agency shall fund and oversee primary grant writing services for funding the theatre restoration project.
2. The Agency shall deposit all funds received by them for the theatre restoration project in an Agency account established specifically for the restoration. All funds for operational expenses received by the Egyptian Theatre Preservation Association shall remain with the Association. The Association will maintain a designated donation account or accounts, restricted specifically for use in the restoration project. Funds collected for the restoration project by the Association will be transferred to the Agency periodically as determined by the Association and the Committee. Expenditures from the Agency restoration account shall require preapproval by the Committee.

3. The Agency shall have no responsibility for the funds retained by the Association. Likewise, the Associations shall have no responsibility for the funds retained by the Agency.
4. In the event that the Association dissolves or otherwise ceases operations, all monies collected by the Association for the restoration of the theatre shall be transferred to the Agency, which will maintain such funds for the specific purpose of renovating the Egyptian Theatre.
5. If both parties to this document conclude that the joint project to restore/renovate the Egyptian Theatre is for any reason no longer a viable project, the Agency and the Association will take those steps necessary and required by law to transfer and/or distribute the funds then in each party's possession earmarked for the project. Funds originally donated to the Association will be distributed according to the state and federal laws they are subject to as a 501(c)(3) non-profit organization. Funds originally received by the Agency will be distributed based on the Oregon laws that apply to them.
6. The Agency shall provide accounting services, at no cost to the Association, of the funds transferred to the Agency for the restoration project. Such service will include preparation of monthly account reports and performance of an annual audit. The Association shall provide the Agency with a monthly report showing funds collected for the restoration project and a list of the donors who gave the funds.
7. It was the goal and intent of the Agency in 2006 when the theatre was purchased to deed the property to the Egyptian Theatre Preservation Association. The proposed future transfer shall require the approval of both the Agency and the Association. Such action will be considered after restoration has been completed.
8. The Association shall develop and implement a local fundraising capital campaign, which may include donor appeal, individual and ongoing fundraising events, and increasing membership.
9. The Association will maintain a presence in the community by continuing to offer entertainment venues and by participating in community activities such as local festivals and the Farmer's Market, and if financially able, by maintaining an office in the downtown area.
10. The Committee shall direct the preparation of a business plan, strategic plan, board training, grant opportunities timeline, and project timeline.
11. Board representatives of the Agency and Association will give reports to their respective boards of committee decisions and shall seek board input as appropriate.
12. The Committee shall not have the authority to commit Agency or Association funds without the approval of the respective boards.
13. The mayor and Association president, or their designee, shall act as the public information officer.


Now, therefore, the memorandum of understanding having been approved by the Egyptian Theatre Preservation Association on November 5, 2011 and by the City of Coos Bay Urban Renewal Agency on November 15, 2011, shall become effective at the time of the last signature.

City of Coos Bay Urban Renewal Agency


Gene Melton, Chair

11/17/2011
Date

Egyptian Theatre Preservation Association


Anella Dumas, President

11-17-11
Date