



# Agenda Report

May 9, 2022

**TO:** Honorable Mayor and City Council

**FROM:** Director of Finance

**SUBJECT: RECOGNIZE REVENUE AND APPROPRIATE FUNDS OF \$1,600,000 TO THE FISCAL YEAR 2022 OPERATING BUDGET FOR THE CALIFORNIA ARTS COUNCIL PASADENA PLAYHOUSE HVAC PROJECT GRANT**

**RECOMMENDATION:**

It is recommended that the City Council:

- 1) Find that the actions are exempt from the California Environmental Quality Act ("CEQA"), pursuant to State CEQA Guidelines Section 15301 (Class 1 – Existing Facilities) and that there are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances;
- 2) Approve the submittal of a grant application for the California Arts Council Pasadena Playhouse HVAC Project Grant;
- 3) Authorize the Interim City Manager to execute, and the City Clerk to attest the grant application, certifications, and any and all other documents deemed necessary by the California Arts Council to obtain the designation of the aforementioned state funds;
- 4) Authorize the Interim City Manager to execute a Subrecipient Agreement with the Pasadena Playhouse to effectuate the transfer of grant funds and;
- 5) Amend the Fiscal Year (FY) 2022 Operating Budget to recognize revenue in the amount of \$1,600,000 and appropriate expenditures in the amount of \$1,600,000.

**BACKGROUND:**

The Fiscal Year 2022 Budget for the State of California includes an earmark by Assemblymember Chris Holden in the amount of \$1.6 million to support the Pasadena Playhouse HVAC Project. While it was initially thought that the funds would be distributed through the California Arts Council directly to the Pasadena Playhouse, Senate Bill 170, a Budget Bill, defined the grant as a pass-through from the City of Pasadena to the Pasadena Playhouse.

The Pasadena Playhouse began planning in 2021 and started work in early 2022. The project is planned to be completed well in advance of the September 30, 2023 deadline imposed by the California Arts Council.

**COUNCIL POLICY CONSIDERATION:**

Approval of the recommended actions will fund and support the modifications and modernization of the Pasadena Playhouse HVAC equipment. It will also maintain fiscal responsibility and stability for sustaining grant funding opportunities.

**ENVIRONMENTAL ANALYSIS:**

The actions proposed herein are exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 (Class 1 – Existing Facilities). Class 1 exempts from environmental review “the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use.” The proposed actions would provide for grant funding for upgrades to the Pasadena Playhouse HVAC system. There would be no expansion of use or capacity of the Pasadena Playhouse. There are no features that distinguish this project from others in the exempt class and, therefore, there are no unusual circumstances.

**FISCAL IMPACT:**

Approval of the recommended action will result in the City recognizing Pasadena Playhouse HVAC Project Funding grant revenue in the amount of \$1,600,000 and appropriating eligible expenditures in the amount of \$1,600,000 for FY 2022.

Respectfully submitted,

  
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Approved by:

  
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