



Board of Supervisors Memorandum

December 7, 2021

Pima County Acquisition of Historic Teatro Carmen Located at 384 South Meyer Avenue and Development Agreement for Restoration and Management

Background

Under direction of the County Administrator in July 2021, Pima County staff in Real Property and Facilities Management have been negotiating for the County to acquire the Historic Teatro Carmen and to establish a development agreement for the restoration of the building and properties. These negotiations have concluded with the finalization of two agreements between Pima County and Stratford Art Works ("SAW") that are scheduled for Board of Supervisors consideration at the December 7, 2021 Board Meeting.

Teatro Carmen History

Teatro Carmen opened in its current location at 384 South Meyer Avenue in the Barrio Libre/Barrio Viejo Historic District in 1915 as a showcase for theatrical works from Spain and Latin America. It operated as a Spanish language theater until 1926 when it was sold. Since that sale Teatro Carmen has been many things including an auto garage and the Pilgrim Rest Elks Lodge, an African-American social club. The property was purchased by the Rollings family (Bacon Industries) in the mid-1990's and they used it as a storage building and workshop for their renovations of other historic buildings they owned in Barrio Viejo. Teatro Carmen, as it presently exists, includes two adjoining buildings and a vacant lot. The property sold in July 2021 to Stratford Art Works ("SAW"), an Arizona local non-profit arts organization with a 25-year history of fostering the arts, artists and Art Space projects.

Historic Restoration of Teatro Carmen

SAW's purpose for acquiring the Teatro Carmen was focused on the historic restoration of the theater space, the conversion of the adjoining building into a bar/restaurant, and the development of the vacant lot into an outdoor gathering space. SAW's past projects demonstrate their expertise in historic restoration and renovation with the prime example being their involvement in the complete historic restoration and renovation of the Fox Theater. As part of their acquisition and planned historic restoration and renovation of Teatro Carmen, SAW approached the County with the concept of creating a joint development partnership. The proposed partnership includes the County's purchase of the Teatro Carmen property and execution of a Joint Development Agreement ("JDA") between the County and SAW that creates the working structure for a public-private partnership.

Alignment with Pima County Historic and Cultural Interests

The Teatro Carmen is in an historic neighborhood of cultural value and significance; however, the structures are currently in poor shape and not suitable for public use. The County has

The Honorable Chair and Members, Pima County Board of Supervisors
**Re: Pima County Acquisition of Historic Teatro Carmen Located at 384 South Meyer
Avenue and Development Agreement for Restoration and Management**

December 7, 2021

Page 2

determined that rehabilitating and restoring the property and structures will improve the community, promote economic development, and is consistent with the County's Sonoran Desert Conservation Plan, Historic and Cultural Conservation element.

The County has a longstanding practice of facilitating cultural and historic conservation and preservation. We own a diversity of historic properties such as Mission Gardens, the Historic Courthouse, Sonoran Desert Museum, Old Tucson, Canoa Ranch, the west side of Tumamoc Hill and the Carnegie Desert Laboratory National Historic Landmark, Colossal Cave, the Pantano Townsite, the Anza National Historic Trail, and a number of archaeological parks and preserves as well as several historic working ranches. In almost all instances the County has leased the facility for operational purposes to a nonprofit dedicated to the primary purpose of the facility.

In this same spirit, and through partnership with SAW, Teatro Camen is envisioned to be a multi-cultural hub for the broader Tucson community and a unique one-of-its-kind historical asset within the Barrio Libre/Barrio Viejo Historic District. Upon completion of renovations, the theater portion of the property will seat up to 300 people and will be used as a venue for live performances and for other functions such as a live music venue, a film venue, or a social gathering and special events venue. The bar/restaurant areas will be open to the public and the outdoor space will be used in conjunction with the two restored and renovated buildings.

Acquisition and Management Structure

It is the County's intent to acquire Teatro Carmen from SAW and enter into the JDA. The purchase price is \$1,100,286, which reflects the appraised value of the properties and agreed to reimbursable expenses of SAW.

In addition, as part of the JDA the County will be providing up to \$1,000,000 to rehabilitate and restore the building and property. The first \$500,000 of this commitment will be provided within 30 days of execution of the JDA. The second \$500,000 of the County's commitment will be provided if, and only when, SAW has received and the County has verified an amount equal to the \$500,000 from other public or private sources or contributions. Pima County Facilities Management and the Office of Sustainability will actively participate in oversight of the rehabilitation.

When the restoration project is completed it is the County's intent to enter into a long term Operation Agreement with SAW for the management of the Teatro Carmen property, provided that they have fulfilled all of their obligations of the JDA.

The Honorable Chair and Members, Pima County Board of Supervisors
**Re: Pima County Acquisition of Historic Teatro Carmen Located at 384 South Meyer
Avenue and Development Agreement for Restoration and Management**

December 7, 2021

Page 3

Recommendation

It is recommended that the Acquisition Agreement and Joint Development Agreement between Stratford Artworks, LLC and Pima County be approved; and funding in the amount of \$1,100,286 for the purchase and \$1,000,000 for rehabilitation and restoration be designated from the Fiscal Year 2021/22 General Fund balance.

Sincerely,



Jan Lesher
Chief Deputy County Administrator

JL/anc – December 6, 2021

- c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works
- Mark Napier, Assistant County Administrator
- Lisa Josker, Director, Facilities Management Department
- Linda Mayro, Director, Office of Sustainability and Conservation
- Jeff Teplitsky, Director, Real Property Services Department