



CITY OF

NEWPORT BEACH

City Council Staff Report

October 14, 2025
Agenda Item No. 13

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Approval of the Lecture Hall Auditorium Naming Rights Agreement

ABSTRACT:

The Newport Beach Lecture Hall (Lecture Hall) located adjacent to the Newport Beach Public Library is nearing completion. Pursuant to the Memorandum of Understanding (MOU), as amended, between the City of Newport Beach (City) and the Newport Beach Public Library Foundation (NBPLF), the NBPLF could offer naming rights to various areas of the Lecture Hall in furtherance of the NBPLF's financial commitment to construct the project subject to the City Council's approval of the final naming rights agreement. Thus far, the City and NBPLF have entered into naming rights agreements for the exterior of the building, Bamboo Courtyard and lobby. For City Council consideration is a naming rights agreement to allow the naming of the two auditorium entryways in honor of the NBPLF.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- b) Approve the Newport Beach Public Lecture Hall Naming Rights Donation Agreement between the City of Newport Beach and the Newport Beach Public Library Foundation for the naming of the auditorium; and
- c) Waive City Council Policy B-9 – *Naming of City Parks and Facilities* and City Council Policy B-17 – *Parks, Facilities, and Recreation Program Donations* for the naming of the auditorium.

DISCUSSION:

The City and NBPLF entered the MOU with the NBPLF on November 30, 2021, to memorialize the parties' vision toward the construction of the Lecture Hall to host various library, cultural, information, entertainment, civic and community focused events within the community.

The MOU addressed a number of key areas including 1) the parties' equal financial commitment towards the project, 2) providing the NBPLF with the right to offer naming rights to various areas of the Lecture Hall including the exterior facade, the Bamboo Courtyard, lobby, green room, and a donor wall, 3) specifying the timing of payment of the NBPLF's portion of the project and 4) other terms.

Over the course of the next two years, the City and NBPLF amended the MOU on three occasions to account for the increased cost of construction of the Lecture Hall, providing additional naming opportunities to the NBPLF, and modifying other key terms. Highlighting some of the key revisions are the following:

- Cost of Construction: Adjustment of each party's financial obligations from approximately \$6,500,000 to approximately \$11,700,000 each.
- Timing of Foundation Payment: Whereas, the original MOU contemplated payment of the Foundation's portion of the project prior to the City entering into the notice inviting bids; the Third Amendment to the MOU required the Foundation to deposit \$7million into escrow prior to the City entering into the contract to construct the project with the remainder of approximately \$4.7 million payable within two years of effective date of the Third Amendment to the MOU or upon the City Council adopting the notice of completion of construction of the project.
- Naming Rights: Whereas the original MOU authorized naming of the exterior of the building, the Bamboo Courtyard, lobby, green room and a donor wall; the subsequent amendments to the MOU provided additional naming of the auditorium, audio-visual booth, and audience seating.
- Change Orders: In order to control rising costs, the Third Amendment to the MOU required each party to be financially responsible for any requested change orders beyond what was required in the construction drawings.
- Use of the Lecture Hall: The Third Amendment to the MOU delineated the party's right to use the Lecture Hall.

The NBPLF has been actively fundraising for the Lecture Hall since originally entering the MOU. Thus far, the City Council has approved three naming rights agreements. The first agreement provided for the naming of the exterior façade in recognition of William Witte and Keiko Sakamoto for their \$4,000,000 commitment; the second agreement provides for the naming of the lobby in recognition of Roy Woolsey for the family's \$1,000,000 financial commitment; and the third agreement provides for the naming of the Bamboo Courtyard in honor of Elizabeth Stahr for the family's \$750,000 commitment to the project.

The Naming Rights Agreement would provide for the naming in honor of the Newport Beach Library Foundation above the two auditorium entryways as depicted in Exhibit "A" to the attached agreement. While the Naming Rights Agreement does not specify a specific donation amount in return for the naming of the auditorium, the Third Amendment to the MOU provides for the remainder of Foundation's final commitment in the amount of \$4,643,968 to be paid within two years of effective date of the Third Amendment to the MOU or upon the City Council adopting the notice of completion of construction of the project.

FUNDING REQUIREMENTS:

Approval of the Lecture Hall Auditorium Naming Rights Agreement does not require any additional City funding.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Approval of the Lecture Hall Auditorium Naming Rights Agreement