



TO: VICTOR CARDENAS, CITY MANAGER
FROM: SHERYL WALSH, COMMUNICATIONS DIRECTOR
SUBJECT: STUDIO NO. VI UPDATE AND POTENTIAL BUDGET
DATE: JULY 5, 2023

Mayor and Council –

Please see the following memo outlining work that has been ongoing related to creating a dedicated studio for City video production. Currently staff shoots nearly all content remotely, consistently move equipment. Dedicated capital specific PEG dollars will be used for this endeavor. We plan to bring it forward at the July 31 Mtg.
 - Victor

Last year, the City of Novi contracted Creative Dimensions to begin the process of designing a larger broadcast studio at the Civic Center to broaden production capabilities. Attached are renderings and the specifications, including cost, for the construction and equipment of an enhanced Studio No.VI in the former storage space (affectionately known as the dungeon) just off the staff/Council entrance, across from the Council Chambers. The space previously housed election materials and Community Relations items but has since been cleared and provides the optimal height and floor area to host a state-of-the-art studio. Background and details follow.

Background

In Spring 2016, following the dissolution of the Southwestern Oakland Cable Commission (SWOCC) and all Franchise Fees (General Fund) and PEG (designated for cable operations) funding reverting back to each respective municipality, the City of Novi created Studio No.VI. A small studio and editing bay was constructed utilizing the existing PEG funds. All video operations were supported with PEG revenue until 2019, when the Federal Communications Commission (FCC) issued an order restricting PEG funds use for capital video service items. With salaries and operational costs now a part of the General Fund, PEG revenue has continued to grow (see below), with a current balance of more than \$1.6 million.

FUND	GL NUMBER	DESCRIPTION	2015-16 ACTIVITY	2016-17 ACTIVITY	2017-18 ACTIVITY	2018-19 ACTIVITY	2019-20 ACTIVITY	2020-21 ACTIVITY	2021-22 ACTIVITY	2022-23	
										AMENDED BUDGET	ACTIVITY THRU 06/06/23
GENERAL FUND	101-000.00-604.000	Cable Franchise Fees	951,481	934,665	915,141	905,859	894,798	837,178	804,800	850,000	578,609
PEG CABLE SPECIAL REVENUE FUND	233-000.00-604.100	Cable PEG Fees	382,655	369,702	373,692	362,344	-	-	-	-	-
PEG CABLE CAPITAL FUND	463-000.00-604.100	Cable PEG Fees	-	-	-	-	302,931	393,919	318,061	335,500	231,443

Early 2022 video discussions included limits placed on production due to the current studio size and configuration and the significant role its content was playing in our communications on multiple platforms – website, social media, eNewsletters and more. We also talked about the revenue opportunity an easily accessible studio might provide by 'packaging' our productions and offering services to other municipalities that might not have the ability to create content. It was decided to engage a creative team to look at the Civic Center space and explore the possibility for a larger studio.

Proposed Design

Our Studio No.VI team worked with Creative Dimensions, a single source design to a construction firm, to best determine the size, location, and scope of a new studio to meet Novi's needs now and into the future. Discussions focused on five categories:

1. Studio Set and Storage Space – Physical space, set design, lighting, storage of remote equipment
2. Editing Suites and Office Space (planned to reconfigure the current studio upstairs), including two windowless editing bays and three workspaces
3. Master Control and Network Connectivity
4. Tools and Other Video Equipment
5. Council Chambers (Phase 2, following completion of the new studio) – updating the current room with a possible video wall, refreshed dais, lighting and speaker reconfiguration.

The attached proposal shows in detail the new state-of-the-art studio and set design. The cost, slightly over \$700,000, includes all new physical elements to construct the new studio. Minor work to raise existing ductwork and utilities in the space would increase the cost slightly. We are working with the City's Integrated Solutions department to determine those costs and splitting the existing studio in the Manager's Office into two editing bays. All work would be funded through the PEG capital-restricted funds.

With your approval, I look forward to bringing this to City Council for consideration later this month and continuing to build upon the amazing accomplishments of Studio No.VI.