



# Redmond Cultural Facilities Feasibility Study

## Summary Report

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AMS Planning & Research Corp.

with LMN Architects and Collins Group



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## Executive Summary

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In March of 2015, The City of Redmond, Washington commissioned AMS Planning & Research, a national management consulting firm working exclusively in the arts and culture sector, to undertake a comprehensive Cultural Facilities Feasibility Study. In recent years, Redmond has seen steady population growth, welcomed a diversifying global workforce attracted by robust technology businesses, and garnered a reputation for innovation in digital arts, large-scale outdoor cultural festivals, and a high quality of life. The City's 2010 *Parks, Art, Recreation, Culture, and Conservation (PARCC) Plan* adopted planning policies related to encouraging the development of arts and cultural facilities, and the 2013 *Master Plan for the Downtown Cultural Corridor* identified dedicated arts and cultural facilities as a top community priority.

The Cultural Facilities Feasibility Study was designed to address the question: **What kind of cultural infrastructure will best serve the Redmond community and accommodate future growth?**

Several established Civic Priorities, shared by staff, policymakers, and the arts community alike, guided the study's work:

- **Attract & Retain** a talented global workforce
- Maintain and improve Redmond's **Quality of Life** by providing amenities that make the city a great place to live
- Improve **Downtown Vibrancy** and vitality, to make Redmond's downtown a place where people want to be
- Establish a cultural **Identity** for Redmond.

## Needs Assessment

Redmond-area residents report strong interest in arts and culture activities, and show very high demand potential for arts and culture attendance based on demographic and psychographic indicators. However, many residents report going into Seattle to experience arts and culture, not thinking of Redmond as a place for these activities. The dearth of purpose-built arts and culture facilities in Redmond contributes to this perception. Inspired by global examples of arts and culture infrastructure in other global communities at a variety of scales, a series of scenarios for new cultural facilities in Redmond were established and prioritized according to the Civic Priorities and a Gap Analysis of supply and demand for arts and culture activities and venues. As a result of this prioritization analysis, AMS recommends that a **state of the art multipurpose Cultural Center** with flexible performance, exhibition, and arts/education space, ideally located in downtown Redmond, would address the demands, gaps, and opportunities in Redmond's arts and culture infrastructure.

The comprehensive Gap Analysis of supply and demand for arts and culture activities and venues in the Redmond area provided further specificity in regard to potential content, building form and location, and cultural policies that will ensure success for a new initiative.

The recommendations of the Gap Analysis include:

- Consider film, contemporary music, and **informal arts and culture activity** as programming priorities to appeal to Redmond's diverse and growing market.
- Develop an **innovative, non-traditional, multipurpose** performance venue to differentiate Redmond's cultural

facility from other existing and planned Eastside projects, and to accommodate a wide array of uses and audiences.

- Design the venue to appropriately feature **world-class arts activity**, serve as a home for selected **capstone events** from the City’s recreational cultural programs, and accommodate significant use by **local arts and culture groups**, as well as civic and social events.
- Focus on a potential arts/culture destination in **downtown Redmond**, to help strengthen Redmond’s arts ‘brand’ and improve downtown vitality.
- Identify ways to support and strengthen Redmond’s nonprofit **arts and culture organizations**, and attract more artists and arts/culture providers to Redmond.
- Improve the **integration** of City arts and culture programming with other arts-related programs in Redmond.
- Continue investment in Redmond’s **outdoor arts events**. Consideration should be given to providing for them through physical infrastructure & support space.

### Facility & Site Assessment

The facility would accommodate significant use by Redmond’s arts, culture, and humanities **nonprofits**, serve as a hub for the city’s large-scale outdoor **events and festivals**, accommodate selected capstone events from the City’s **recreational cultural programs**, as well as host **civic and social events**. In addition, the Center would host **touring performing and visual arts events**, bringing in new programming otherwise unavailable in Redmond.

It would include a 300 to 500-seat multi-configuration **performance space** equipped to host world-class arts activity; a flexible **exhibition space** to host visual arts and humanities exhibitions as well as events and gatherings; a selection of smaller **flexible arts spaces** to accommodate classes, meetings, and other gatherings; a small **café and bar**; and the relevant **support spaces** to support all these activities.

The building area required for such a Cultural Center is estimated to be approximately **27,500 gross square feet**. The Center could be developed as a stand-alone new-construction project, as part of a mixed-use building in partnership with a willing developer, or as an adaptive reuse of an existing building. These options have different cost implications depending on site, condition of existing structures, and other factors. The cost of a new facility on a greenfield site is anticipated to be **approximately \$30 million**, exclusive of escalation and the cost of site acquisition. Adaptive reuse of an existing building would have the potential to develop a Cultural Center for significantly less capital cost.

To guide the selection of a future site for the project, a selection framework was developed based on the Civic Priorities and Gap Analysis Results. As potential sites or existing buildings become available, they should be evaluated on this basis as the project moves ahead.

### Business Plan

Once the Center is constructed, it is anticipated that its **main revenue sources** would be ticket revenue from touring performances and exhibitions, space rental revenue, ancillary revenue from concessions and ticketing, and contributed income from a variety of sources. **Expenses** would be linked to touring programming (e.g. artists’ fees, marketing), staff compensation and

benefits, administrative overhead, and building occupancy costs (e.g. utilities).

At present, it is recommended that the Center be **operated by the City of Redmond**. The City has experience operating facilities of this type (e.g. Senior Center, Teen Center, and Old Redmond Schoolhouse), as well as access to shared services such as insurance and security. It has been noted that municipal operation may hamper philanthropic contributions to operations, and there are concerns that the City lacks experience and expertise in accessing high-quality touring programming. While both these concerns can be addressed through careful hiring and robust fundraising planning, it is recommended that the possibility of a partnership with a regional nonprofit programming partner be explored as the project progresses.

A **pro forma operating model** was developed to establish order of magnitude estimates for operating revenues and expenses. The model shows that approximately 50% of the Center’s revenue would come from ‘earned’ income through ticket sales, space rental, and other ancillary income. It is anticipated that the remaining required income would be secured through a combination of City support, private and corporate philanthropy, and grants and other contributions.

Total Operating Revenue	\$649,600
Total Contributed Revenue	\$600,000
<b>Total Revenue</b>	<b>\$1,272,100</b>
<b>Operating Expenses</b> (with contingency)	<b>\$1,238,300</b>

### Next Steps

The timeline for implementation of a new Cultural Center in Redmond will be driven by a number of factors, including the availability of capital funding, the progress of concurrent City building projects, site availability, and the emergence of opportunities to implement the project through strategic public/private partnerships.

To move the project ahead in the near term and ensure readiness to act on opportunities as they become available, the following next steps are recommended:

- **Identify project champion(s)**, a small group of influential decision-makers who will ‘carry the torch’ and advocate for project implementation.
- Form a **Nonprofit Support Organization** (e.g. “Friends of the Redmond Cultural Center”) to support the project champions, advocate for the project in the community, lead capital fundraising efforts, and build relationships with Redmond’s arts and culture community and audiences.
- **Identify a Site** or sites to evaluate in detail for ability to accommodate a cultural center of the needed scale.
- **Complete a Concept Design** to develop a building concept and refine the building program outlined in this study to respond to the specifics of location, adjacency, etc. Whether as a new-build project, mixed-use, or adaptive reuse, this process would help create a vision for the building as well as refine capital cost estimates. The Business Plan would also be updated to respond to any changes in activity or operations influenced by the design.

- **Test Fundraising Feasibility** using the developed Concept Design and business plan as a provisional Case for Support. This study would establish the level of philanthropic support that could be expected for both capital and operations.
- **Grow Arts & Culture in Redmond** throughout the project development process, supporting artists and arts organizations, continuing direct cultural programming, and encouraging community involvement in arts and culture. The Cultural Center's success relies on the ongoing health and growth of Redmond's arts and culture sector.

## Study Methodology

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The study's work was structured in three phases:

- 1) A **Needs Assessment** to determine if a cultural facility is needed in Redmond and if so what kind of facility would address gaps in Redmond's current arts & culture infrastructure
- 2) A **Facility & Site Analysis** to determine the size, cost, and location of such a facility;
- 3) A **Business Plan** outlining the facility's operations and finances, as well as next steps for project implementation

### Phase I – Needs Assessment

- What **demand** exists for arts and cultural space in and around Redmond, given existing and planned cultural infrastructure?
- If demand exists for new cultural facilities, **what type of spaces or structures** might best accommodate this demand?

**Phase I** evaluated the need for cultural infrastructure in Redmond by understanding community context, identifying Civic Priorities, and developing a Gap Analysis to guide the phase's work.

Work completed in Phase I included:

- A comprehensive **Background Review** of planning and program materials, previous studies, budgets, and project plans.
- A series of 25 **Leadership Interviews** with city staff, arts and culture leaders, and representatives of Redmond's business and funding community.
- A demographic and lifestyle **Market Analysis** of households in the Redmond area, to explore consumer segmentation and

determine the likelihood of area residents to attend arts and culture programming.<sup>1</sup>

- A comprehensive **inventory of arts and cultural activity and venues** in and around Redmond. This included site visits to facilities where cultural activity occurs in Redmond including Old Redmond Schoolhouse (ORSH), Redmond Senior Center, Redmond City Hall, Redmond Teen Center, Second Story Rep, and Soul Food Coffee, among others.
- A statistically valid **public survey** administered as part of the PARCC plan process, to explore preferences of area residents.
- A **Gap Analysis** describing key discrepancies between supply and demand for cultural activities and venues in Redmond.
- Investigation of a number of **Trends and Examples** – outstanding projects from around the world to give stakeholders a shared vocabulary with which to discuss Redmond's cultural facility opportunities.
- Finally, the team developed a series of **Scenarios** which address the Gaps and Civic Priorities at a variety of scales. These Scenarios were evaluated using the Gap Analysis and Civic Priorities to arrive at a recommended direction for Phases 2 and 3.

Through this work, the team concluded that a state of the art **multipurpose Cultural Center** with flexible performance, exhibition, and arts/education space, ideally located in downtown Redmond, would address the demands, gaps, and opportunities in Redmond's arts and culture infrastructure.

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<sup>1</sup> See Appendix A: Market Analysis Report for detail.

## Phase 2 – Facility & Site Analysis

- Where could such a facility be located? How much might it cost to build?

**Phase 2** developed a decision-making framework for site selection as well as a preliminary building program and range of magnitude capital cost estimates.

Work completed in Phase 2 included the following:

- Drawing on functional needs/gaps identified in Phase 1, an understanding of the types of activity to be accommodated, and on preferred Phase 1 scenarios, the team outlined a **preliminary venue configuration** and **functional building program** to estimate total required area.
- Using priorities developed during Phase 1 as well as a series of development considerations, a **site evaluation framework** was developed for a series of sites and development typologies identified by City staff.
- Using the preliminary building program and an understanding of possible development requirements (e.g. structured parking), range of magnitude **capital cost estimates** were developed for project components.
- The team also examined a number of **design exemplars** to provide a reference point for facility development.

The building program, capital cost estimate, and case studies directly informed the development of an activity profile and pro forma operating estimates in Phase 3.<sup>2</sup>

<sup>2</sup> See Appendix D: LMN Architects Facility & Site Report for detail.

<sup>3</sup> See Appendix E and F: Reference Project Case Studies Summary for detail.

## Phase 3 – Business Plan

- What would be an appropriate **business and financial plan** for a new facility?

**Phase 3** developed a business and implementation plan for the proposed project, and projected the range of activity to be accommodated, outlined management and staffing approaches, and estimated required operating support for the project.

Work completed in Phase 3 included:

- Three **reference project case studies** from which management, financial, and activity data were gathered to inform future tasks.<sup>3</sup>
- Development of an **activity profile**, quantifying the types and frequency of use in each planned space.
- A recommended **operating plan**, describing how such a facility would be owned, managed, and operated.
- A **pro forma operating estimate** for one stable year of future operations at the planned facility, including projection of earned income from operations; operating expenses including staffing, administration, overhead, etc.; and net result.<sup>4</sup>
- A scan of possible **funding sources** for the proposed Cultural Center.<sup>5</sup>
- An implementation plan outline.

<sup>4</sup> See Appendix I: Pro Forma Operating Forecast for detail.

<sup>5</sup> See Appendix H: Collins Group Funding Review Memo for detail.

## Phase I: Needs Assessment

### Market Analysis

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A demographic and lifestyle market analysis was conducted using Census data as well as data from AMS's partnership with the Nielsen Company predicting the likelihood of area households to attend and participate in arts and culture activities.

Key demographic findings echo previous studies:

- The Market area is highly **educated, wealthy**, and ethnically **diverse**, growing at nearly twice the U.S. rate.
- There is a high concentration of Asians, particularly **Indian** and **Chinese**.
- Asians in the market tend to be **younger**, more highly **educated**, and with **higher household incomes**.

An examination of consumer preferences for households in the market area revealed that the Redmond area is a **strong market for cultural consumption** relative to the U.S., particularly those without children, and empty-nesters. In the primary market area, during a single year:

- An estimated 91% of households will “Go to a Music/Dance Performance.”
- An estimated 65% of households will “Go to a Museum.”
- An estimated 60% of households will “Go to Live Theatre.”
- An estimated 12% of households will “Go to a Classical Concert.”

Consumer segments in the PRIZM® “Midlife Success” category are particularly well-represented in Redmond, followed by those in the “Young Achievers” category. The most-represented consumer segments are:

#### 12 Brite Lites, Li'l City 17% of Primary Market Area

Sophisticated, well-off, middle-aged couples settled in satellite cities. Dual income, no kids households have college educations, well-paying business and professional careers, and nice homes filled with the latest technology.

#### 3 Movers & Shakers 13% of Primary Market Area

Up and coming business class: a wealthy suburban dual-income couples who are highly educated, typically between the ages of 45 and 64, without children. High percentage of executives and white-collar professionals.

#### 8 Executive Suites 7% of Primary Market Area

Upper middle-class singles and couples living just beyond the nation's beltways. Significant numbers of Asian-Americans and college graduates, white-collar professionals drawn to comfortable homes and apartments within a manageable commute to downtown jobs, restaurants, and entertainment.

#### 24 Up and Comers 6% of Primary Market Area

Younger, upper-midscale singles before they marry, have families, and establish more deskbound lifestyles. Disproportionate number of recent college graduates who are into athletic activities, the latest technology, and nightlife entertainment.

#### 22 Young Influentials 4.3% of Primary Market Area

Middle-class singles and couples who balance work and leisure pursuits and live in apartment complexes surrounded by ball fields, health clubs, and casual-dining restaurants.

## Civic Priorities

City documents and plans, as well as responses from interviews with City leadership and staff, were remarkably consistent regarding the City of Redmond’s priorities for development and growth. Attraction and retention of talent (particularly in the tech industry), quality of life for all Redmond residents, improved vibrancy and vitality in Redmond’s downtown core, and the establishment of a unique identity for Redmond were all seen as high-level imperatives that could be affected by a cultural facility.

Based on existing conditions, and a review of current community development theory, AMS identified gaps in each area, which could be addressed by cultural activity and facilities in different ways. The matrix below summarizes this analysis:

	<b>Attract &amp; Retain</b>	<b>Quality of Life</b>	<b>Downtown Vibrancy</b>	<b>Identity</b>
				
<b>+</b>	Proximity to Employment High Wages Natural & Social Amenities Diverse Communities	Excellent Schools Parks and Recreation Offerings Robust Civic Services Close-knit Ethnic Communities	Housing Density Downtown Festivals & Episodic Activity Downtown Park & Streets	Microsoft & Tech Industry Outdoor & City Events Reputation for Diversity
<b>-</b>	High Housing Costs Few Cultural Amenities Missing a Cultural ‘Scene’	Limited Inclusion / Integration Lack of Cultural Engagement	Not a Destination Nights and Weekends ‘Dead’ Limited Dining / Retail	Weak Reputation Absence of Artists Lacking Sense of Place
<b>NEED</b>	High-quality programming Inclusive/global cultures Nightlife, weekends	Participatory activities Range of creative opportunities Diversity and inclusion	Round-the-clock activity Focus on the downtown core Draw dining and retail	Authenticity and uniqueness Attract artists Grow Redmond’s creative ‘soul’

## Gap Analysis

On the basis of a comprehensive cultural inventory, the team completed an analysis of supply and demand for both cultural activity and venues in Redmond. These observations combined to generate a series of ‘need statements’ which guided the evaluation of scenarios. The matrices below summarize this analysis; detailed research supports each supply/demand finding.

### Cultural Activity Gap Analysis

Supply	Demand	NEED
<p><b>Abundant recreational arts offerings, strong participation.</b></p> <p>Parks &amp; Recreation offers abundant arts and culture classes &amp; participatory programs - 130+ sessions which are popular among survey respondents.</p>	<p><b>Recreational arts programs popular, though not seen as part of arts ‘brand.’</b></p> <p>Strong participation in and demand for programs continues. These participants likely form significant part of audience for larger-scale arts events.</p>	<p>Improve ‘vertical integration’ of City arts programs.</p>
<p><b>Few independent artists and arts organizations.</b></p> <p>40+ activity providers in primary market area, few are arts-specific. Large cultural organizations are outside Redmond on the Eastside. In Redmond, only four arts &amp; culture groups are operating at scale: Second Story Rep, at \$270k, is largest.</p>	<p><b>Authentic, high quality arts scene desired, with diverse activities.</b></p> <p>Highly educated, global audiences expect high-quality programming. Survey indicates interest in range of arts/culture programming. High ‘churn’ of residents means people have less time to ‘find their niche’ – arts/culture groups can help create a sense of belonging</p>	<p>Identify ways to attract/strengthen cultural providers.</p>
<p><b>Strong presence of outdoor events.</b></p> <p>Mid- and large-scale outdoor events make up City arts ‘brand.’</p>	<p><b>Enthusiasm for continuing &amp; new outdoor programs.</b></p> <p>Survey response was enthusiastic about large-scale outdoor events.</p>	<p>Continued investment in outdoor events warranted.</p>
<p><b>Limited informal contemporary arts activity.</b></p> <p>Most significant arts programming in Redmond is episodic, and does not contribute to the sense of an arts ‘scene.’ Downtown storefronts/restaurants do not host significant arts programming. Film, contemporary music, contemporary visual arts are not robust in Redmond.</p>	<p><b>Film and contemporary music desired.</b></p> <p>Young, ‘hip’ workers want informal cultural activity, avoid planning far in advance. Survey respondents show strong interest in film and contemporary music. Interviewees reported strong possibilities for film.</p>	<p>Consider film, contemporary music, informal activity.</p>
<p><b>Residents experience culture elsewhere.</b></p> <p>Most survey respondents <i>report</i> they experience culture elsewhere. Likely they do travel for culture, but also may not think of Redmond activities as cultural.</p>	<p><b>Most agree Redmond needs a cultural identity.</b></p> <p>Neighboring cities each have distinct cultural reputation, most agree Redmond’s time has come. Interviewees all agreed that Redmond can become a cultural destination.</p>	<p>Identify ways to strengthen Redmond’s arts ‘brand.’</p>

**Cultural Venue Gap Analysis**

<b>Supply</b>	<b>Demand</b>	<b>NEED</b>
<p><b>Few indoor arts-specific spaces.</b>                      High density of spaces used for arts and culture in Redmond, but few are purpose built and used exclusively for arts.                      Many spaces used for arts and culture are outdoors.</p>	<p><b>Citizens are interested in downtown venues.</b>                      Survey results show strong agreement with the statement: "I would attend and or participate in more art, music, and cultural events or activities if they were located in Downtown Redmond."</p>	<p><b>Consider scenarios for high-quality arts destination downtown.</b></p>
<p><b>Midscale PACs abundant in the area.</b>                       7 midscale (300 – 800 seat) PACs in the market area, with two more planned.</p>	<p><b>Some demand for a performance venue; another PAC tough to justify.</b>                      Asian groups in particular report need for a performance venue 'closer to home.'                      Building another 'traditional' civic performing arts center would be unlikely to gain public traction.                      Groups also reported a need for multipurpose gathering/event space, particularly with catering support.</p>	<p><b>Consider opportunities for nontraditional, multipurpose performance venues which still accommodate world-class events.</b></p>
<p><b>Parks &amp; Trails host significant cultural activity.</b>                       Much of Redmond's most significant cultural events occur in outdoor spaces not well-equipped to host them.</p>	<p><b>Outdoor venues lack adequate support infrastructure.</b>                      City Hall Lawn hosts Redmond's most significant cultural events, but lacks adequate power and water hookups. Support spaces in nearby Senior Center and City Hall are useful but not optimal.                      Downtown park plans include significant cultural activity, but support space will be in short supply downtown.</p>	<p><b>Consider power, water, and support space for most-used outdoor venues.</b></p>
<p><b>City venues host robust community arts activity, though not considered cultural spaces.</b>                      Redmond Teen Center is a live music venue with a storied history and robust programming.                      Redmond Senior Center hosts a variety of cultural programs and events (e.g. dance classes, driftwood sculpture, crafter's gallery).                      ORSH hosts dance, lectures, rehearsal, and the Redmond Clay Studio, but is known as a rec center .                      None are known as cultural venues in Redmond.</p>	<p><b>Rec programs could be 'validated' by cultural space.</b>                      Senior Center &amp; Teen Center arts spaces (classrooms, theatre/studio, music hall) are not seen as part of Redmond's cultural space inventory.                      ORSH ceramic studio and cafetorium are busy and vibrant, but not seen as cultural destinations. What would happen if these activities took place in a Cultural Center?</p>	<p><b>Consider including selected rec program space in Redmond's 'cultural home.'</b></p>
<p><b>Non-city arts space sparse and at risk.</b>                      Some cultural activity takes place in bookstores, coffee shops, retail stores, etc.; few spaces used entirely for arts and culture activity.                      Second Story Rep and VALA both using space at Redmond Town Center shopping center – at risk as RTC grows.</p>	<p><b>Artists and groups need affordable space.</b>                      Arts organizations and artists consistently reported affordable space as a key driver for offering programs in Redmond.                      Real estate costs, particularly for housing but also for work/ performance/ exhibition space, keep artists and arts organizations away from Redmond.</p>	<p><b>Consider space availability for nonprofit cultural providers.</b></p>

## Trends and Examples

On the basis of an understanding of Redmond’s community context, market potential for arts and culture, and the aspirations of arts groups, policymakers, and citizens, the team identified a series of cultural facility type exemplars drawn from across the globe. These examples provided common reference points as well as best-practices, inspiration, and ideas for developing scenarios to be evaluated in Redmond.

**Culture Shed, New York NY** Iconic arts center planned to house a variety of non-profit arts organizations; no ‘formal’ performance venue



**Yerba Buena Center for the Arts, San Francisco CA**

Multi-venue PAC – YBCA Forum hosts diverse events in a flat-floor space



**Chapter Arts Centre, Cardiff Wales** Multi-venue center in downtown Cardiff has many spaces for a variety of uses



## Trends and Examples cont'd

**Tannery Arts Center, Santa Cruz CA** Artists' live-work development with street-level retail and community spaces, small theatre



**Barnsworth Exhibition Center, Plano IL** Small round exhibit building located in park, used for variety of events



**ArtBuilt Mobile Studios, Brooklyn NY (and others)** Small mobile or temporary spaces to create and display art



## Scenarios

Drawing from the inspiration of the Trends and Examples, building on ideas discussed in interviews and previous studies, and examining ways to address the Civic Priorities and Gap Analysis at a variety of scales, the team refined a list of Scenarios representing the possibilities for a cultural facility in Redmond. The scenarios are ordered from most costly with the biggest impact, to least costly with smaller impact.

While, theoretically, infinite possibilities and scenarios exist for investment in Redmond’s cultural infrastructure, the list of scenarios represents the finite range of possibilities that would be appropriate for City investment in Redmond at this time. As the city grows and changes, and as investment in cultural infrastructure draws more robust arts and culture activity to the area, the City’s needs will change and other scenarios could be considered.

- 1



Build large Redmond Arts, Culture, and Technology (STEAM?) Center (in Overlake?), in partnership with Microsoft.
- 2



Build/repurpose mid-sized Cultural Center downtown to host range of world class and community performances, film, exhibits, events, etc.
- 3



Co-locate all City arts programming with athletic/recreational spaces in new Rec Center.
- 4



Develop subsidized artist live-work space in partnership with organization like Artspace – Southeast Redmond?
- 5



Create small (and/or mobile?) structures in city outdoor spaces to support events, host programs, artist workspace, etc.
- 6



Make infrastructure improvements to outdoor event venues (power, water, staging space) and invest in expanded outdoor arts programming.

## Prioritization – Gap Analysis

Each scenario was scored on the basis of how well it could address the need statements which resulted from the Gap Analysis.

- A green circle means it addresses the need well or in full.
- A yellow circle means it could address the need partially or if certain conditions are met.



	1 Iconic Arts Center	2 Multipurpose Cultural Center	3 Co-locate with Athletic Ctr	4 Artist Live/Work	5 Small/Mobile Structures	6 Park Infrastructure
Improve 'vertical integration' of City arts programs		●			●	
Include rec space in cultural home		●				
Attract/strengthen cultural providers		●		●	●	
Provide space for nonprofit arts orgs	●	●	●	●	●	
Invest in outdoor events					●	●
Power, water, support space for park venues					●	●
Host film, contemporary music, informal activity		●	●	●		
Non-traditional multipurpose performance space		●	●			
Strengthen Redmond's arts brand	●	●		●	●	
Create arts destination downtown		●		●	●	

## Prioritization – Civic Priorities

Then, each scenario was scored on the basis of how well it addresses the Redmond’s Civic Priorities and the gaps identified therein. As in the Gap Analysis scoring, Scenario 2 outperformed the others by a significant margin.



		1	2	3	4	5	6
		Iconic Arts Center	Multipurpose Cultural Center	Co-locate with Athletic Ctr	Artist Live/Work	Small/Mobile Structures	Park Infrastructure
Attract & Retain	High-quality Programming	●	●		●	●	●
	Inclusive / Global Cultures	●	●			●	●
	Nightlife, Weekends	●	●				
Quality of Life	Participatory Activities		●	●	●		●
	Range of Creative Opportunities	●	●		●	●	●
	Connectivity / Affiliation (inclusion)	●	●	●			●
Downtown Vitality	Round-the-Clock Activity		●	●			
	Focus on Downtown Core	●	●	●	●	●	●
	Draw Dining and Retail	●	●		●		
Identity	Authenticity & Uniqueness		●		●	●	
	Attract Artists & Arts Orgs	●	●	●	●	●	
	Grow Redmond’s creative ‘soul’	●	●		●	●	

## Phase I Recommendation

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**On the basis of Phase I inquiries, the team recommended to proceed with the study, focusing on a state of the art multipurpose cultural center in downtown Redmond.** The facility would include a large multi-configuration flat-floor space to host world-class arts activity, serve as a home for selected capstone events from the City's recreational cultural programs, significant use by local arts and culture groups, as well as civic and social events.

This option would make the most significant progress towards the Civic Priorities and the Gaps identified for cultural activity and venues in Redmond today. Because infrastructure and support for outdoor events are such a strong part of Redmond's cultural identity, we also recommend that the proposed facility address the support of large-scale outdoor events and other outdoor arts programs (e.g. the Mobile Arts Center). A larger-scale investment in a major cultural destination, possibly in Overlake, could be considered as part of a longer-term plan, to be developed as Redmond's cultural life grows.

This multipurpose cultural center would contribute to the emergence of a vibrant cultural 'scene' in Redmond – blending the opportunity to experience world-class arts and culture with affordable space in which to grow Redmond's cultural resources at home. In order to be successful, civic investment in this kind of cultural venue must proceed in parallel with continued support of artists, arts organizations, and programs through policy, programming, and funding. This venue would attract citizens and visitors to downtown Redmond, help bring foot traffic to local shops and restaurants, and become a sophisticated cultural focal point for this rapidly-growing global city.

## Phase 2: Facility & Site Analysis

### Building Program

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#### Program Components

The building program was developed on the basis of Phase I recommendations to include:

- A large, **flexible performance space** with both flat-floor and theatre-style seating configurations and state of the art performance technology,
- A **flexible exhibition space** for arts/culture exhibits and other events which would double as lobby space during performances, including a provision for a **café/catering kitchen** to serve both venues, and
- Several **flexible studios/classrooms** to support smaller scale arts and culture activity.

In addition to these main spaces, **support spaces** including restrooms, dressing rooms, and technical space were included in space allocations. The total area of the building (including allowances for wall thickness, structure, systems, etc.) based on these spaces and related assumptions is anticipated to total approximately 27,500 gross square feet.

#### Seating Capacity

The seating capacity for the flexible performance space is targeted at between 300 and 500 seats. Local arts groups reported need for a space in this capacity range, and market-area interest in arts activities supports a venue of this size. This study assumes that 300 could be accommodated in theatre seating or ‘banquet’ style

seating, and 500+ could be accommodated in a flat-floor configuration. Two factors will influence the precise seating capacity for the space:

- The design of the flexible seating in the room would result in a high capacity for flat floor standing events, a mid-range capacity for theatre-seating events, and a lower capacity for seated dinner events, depending on the extents of staging, service area, circulation, etc. These details would be refined during the early stages of concept design for the project.
- Site selection, capital budget constraints, and the needs of Redmond’s performing arts community at the time the project is implemented will also influence the final seating capacity.

#### Building Program Summary

Flexible Performance Space	6,000 NSF
Flexible Education Space	2,100 NSF
Flexible Education / Studio Space	2,200 NSF
Support Space	7,500 NSF
Grossing Factor / Allowance	9,800 SF
<b>TOTAL</b>	<b>27,500 GSF</b>

## Design Exemplars

To inform the development of the building program and help visualize the range of possibilities for a new cultural facility in Redmond, the team also identified a number of facilities, both locally and across the country with design elements relevant to the planned project. These examples range from Seattle performance halls to adaptive-reuse cultural centers, to exhibit halls with adjustable walls that allow the highest degree of space flexibility.

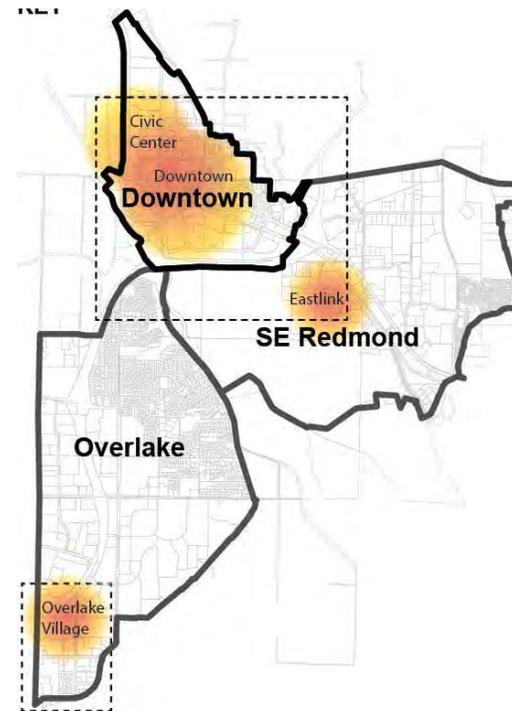
These exemplars included:

- Vashon Performing Arts Center - Vashon, WA
- 3S Art Space - Portsmouth, NH
- Lee Center for the Arts - Seattle, WA
- Torpedo Factory Arts Center - Alexandria, VA
- Ed Erickson Theatre - Seattle, WA
- Mt. Baker Theatre - Bellingham, WA



## Site Evaluation Framework

While Phase I results recommended a focus on a cultural facility for Redmond’s downtown core, the team was asked to consider a variety of areas across Redmond and to create a site evaluation framework to guide future decisions. The four areas considered are shown on the map below. Several factors may continue to inform site selection and so a framework was developed for use in those conversations. The development of planning goals for SE Redmond and Overlake could influence the decision to include civic/cultural space in those areas, and the uncertain future of a new recreation and aquatics center could impact the availability of space near City Hall – aka the ‘Civic Center’ area.



The framework helps evaluate three different development scenarios:

- **Greenfield** development, where a new stand-alone building is constructed on a ‘clean’ site.
- **Adaptive Reuse** development, where an existing building is used, in whole or in part, as a basis for a new facility. Existing buildings can provide opportunities and obstacles to effective development for performing arts use and must be evaluated carefully on a case by case basis.
- **Storefront/Mixed Use** development, where cultural space is inserted into an existing building (ideally with street frontage) or where cultural space is included in a new building shared with other uses.

In the framework, site options can be ‘scored’ according to how well they address a number of priorities identified in this study:

- **Identity**, or how well a cultural facility located on this site would contribute to Redmond’s cultural character,
- **Proximity to retail**, dining, and civic amenities,
- How much a site encourages **informal participation** and ‘drop-ins’,
- How much a site promotes **pedestrian-oriented activity**,
- **Proximity to transit**, and
- The **complexity of development** at a given site or in a given scenario.

Because of the present uncertainty around significant civic projects, this study does not recommend a specific site to be developed with a cultural facility. Rather, we recommend that this evaluation framework be used as sites become available for consideration.

## Capital Cost Estimate

At this stage in a project’s development, great uncertainty remains in every aspect of project cost. Project cost for this facility can be broken down into the following components:

- **Construction:** the building itself – ‘bricks and mortar’ as well as structure, building systems, and theatre equipment.
- **Site Development:** costs of landscape, grading, utilities, etc.
- **Parking:** the cost of accommodating the facility’s parking.
- **Soft Costs:** sales tax, project management, architecture/ engineering fees, permits and other fees, contingencies, etc.

Many of these costs can vary considerably based on site selection, development approach, and other project decisions that will be made as the project proceeds. However, it is possible, using the building program and cost allowances based on past project experience, to develop a range of magnitude idea of capital costs to guide project planning.

The largest single component of project cost will be construction, which is estimated between \$500 and \$550 per square foot for a new building on a greenfield site. For the present building program of 27,500 gross square feet, this would result in a cost range of **\$29.3 – \$32.4 million**, including allowances for soft costs and site improvements, but excluding escalation and the cost of site acquisition. (2015 dollars). Construction costs for adaptive reuse of existing buildings or mixed-use fitout in new or existing buildings are not possible to estimate without a specific building, but would likely be less than new construction. Range of magnitude estimates for site development, parking, and soft costs are still being developed, but could as much as **double the construction cost**. Costs of site acquisition, which could also vary by millions of dollars, would have to be evaluated on a case by case basis.

## Phase 3 – Business Plan

### Activity Profile

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The Activity Profile outlines the potential types and frequency of use in each of the major planned spaces, and informs both the facility's operating economics and its architectural and functional requirements. The Cultural Center's major spaces would be:

- Flexible Performance Space
- Flexible Exhibition Space
- Flexible Education/Arts Space(s)

This recommendation is based upon Phase I findings which identified the following demand for content and activity:

#### Touring performing arts, visual arts, & cultural events

Redmond's sophisticated global audiences, diversity, and affluence all suggest a demand for world-class arts programming, which was underscored in Phase I interviews with city and arts leaders. The City of Redmond has already established a record of presenting the work of notable artists both on the City Hall campus and at outdoor events; the Cultural Center would build on this to host regional and national touring artists in the new facility.

The Flexible Performance Space would be used for a variety of **touring performing arts events**, including popular music, theatre, classical music, film, and a series of informal drop-in music events. These events would be presented by the Center, which would contract with artists to come to Redmond.<sup>6</sup> The Center

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<sup>6</sup> At-risk presenting is any activity for which the venue assumes the risk of the event by paying for the expenses without a guarantee of receiving enough revenue to cover those expenses. Generally as risk increases, there is increased potential

would manage and advertise these events, and recoup the cost through ticket sales. The Center could also engage these artists to offer lectures, master classes or other programming. Similarly, a **three-month professional visual art exhibition** would be presented by the Center each year. The Center would issue a call for artists, engage jurors, and mount the exhibition. Again, artists could be engaged to offer master classes and lectures as a community benefit associated with this exhibition.

#### Local arts & cultural events

Redmond's performing arts, visual arts, humanities, and cultural nonprofit organizations report a strong need for affordable space in order to maintain and grow their presence in Redmond. Many organizations are at risk of displacement from their current spaces, and others report a desire for spaces that are better-suited to arts and culture activity. The availability of catering support and foodservice space is also an issue for several cultural organizations. Based on conversations with Redmond's artists and arts organizations, AMS developed an understanding of current and planned activity, and estimates that nearly **40% of the calendar could be used by Redmond's arts and culture groups**. To ensure that use of the space is affordable for these local groups, **AMS recommends that the operating model include a significant rental subsidy for local arts and nonprofit organizations**. While availability of administrative and production space is also an issue for Redmond's nonprofits, those needs should be addressed in a venue where space is not as costly as in a downtown Cultural Center.

for a higher net revenue. Risk can be mitigated by engaging industry expertise through staffing or partnerships.

**‘Capstone’ events from recreational arts programs**

Redmond’s Parks and Recreation Department offers a diverse range of arts and culture classes and activities. As Redmond’s cultural identity develops, these courses present an opportunity to continue to engage citizens in cultural participation, expression, and appreciation. **Culminating events from these programs** – e.g. recitals, exhibitions, etc. – would take place at the Cultural Center, elevating their importance and visibility in the community, as well as offering world-class facilities to support these important programs. Additionally, some classes and arts programs could take place at the Cultural Center, subject to the availability of space at the selected site, and to be influenced by the future status of Redmond’s current Parks and Rec buildings.<sup>7</sup>

**Other arts/culture activity**

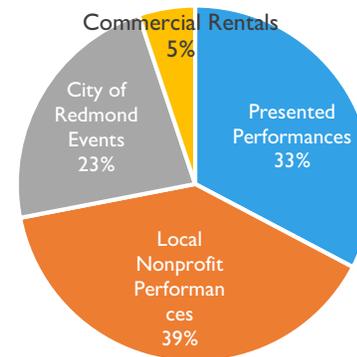
Finally, the Activity Profile includes allowances for **civic programs and events, as well as community, private, and commercial rental use** for catered events of up to 250. The Center could also serve as “headquarters” for major outdoor events such as Derby Days, Redmond Lights, and So Bazaar, offering space for associated programs and performances, and serve as the events’ administrative hub. If the selected site is proximate to the Redmond Central Connector and/or the Downtown Park, cultural programming in these venues could be associated with concurrent activity at the Center.

Based on the above, AMS estimates 214 uses in the Flexible Performance Space. Of that, 162 (75%) would be ‘audience days’ and the balance used for production needs such as rehearsals and

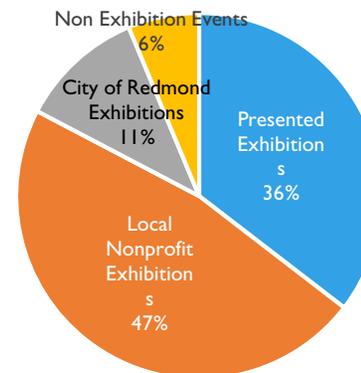
<sup>7</sup> At the time of this writing, discussions are occurring about the future of the facilities in which Parks and Rec activity takes place. Should things materially

loading. The Flexible Exhibit Space would have 238 days of exhibits, with 27 days of set-up and strike. Of the exhibit days, 29 would be associated with special events (openings, lectures, rentals, etc.).<sup>8</sup>

**Flexible Performance Space Activity**



**Flexible Exhibit Space Activity**



change before the implementation of a Cultural Center, Redmond may consider expanding the building footprint to accommodate additional classroom space

<sup>8</sup> See Appendix I: Pro Forma Operating Model for detailed activity breakdown.

## Operating Structure

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As a City-driven project which accommodates significant civic activity, it makes sense that the ownership of the Cultural Center venue would remain in public hands. However, three options exist for its operation:

- Enter into an operating agreement with an existing or new nonprofit organization
- Hire a commercial firm to operate
- Operate by City

### Nonprofit Operator

Redmond's nonprofits offer artistic, cultural, and community activity of the highest quality, though most feel under-capitalized and are working to develop a more robust culture of philanthropy in Redmond. Further, subcontracting operations to an existing organization may create a perception of 'gatekeeping' by others, and preclude the diversity of organizational access that the City desires.

Though a new nonprofit operator would allow the Center greater access to foundation support (see 'Funding Sources' below), it is possible that creating another nonprofit cultural entity in Redmond which would be responsible for raising significant private funds annually, would negatively impact the existing arts and culture organizations the Center is meant to serve.

However, a nonprofit "Friends of" the Cultural Center should be established to both assist in capital funding and annual fundraising. This is common with publicly owned arts facilities, and allows access to private funding for mission-driven programming without burdening a new nonprofit organization with the operation of a large Cultural Center. As Redmond's philanthropic interest in the

arts develops locally, this nonprofit could someday take over operation of the Center, if deemed appropriate at the time.

### Commercial Operator

Some publicly-owned arts and culture venues are operated by commercial firms that specialize in arts and culture programming. These firms are often well-connected with regional and national touring performance networks, and can operate arts centers efficiently based on their experience. However, with a commercial operator Redmond would relinquish a degree of programming control, and would need to include clear allocations of space use to support the needs of nonprofit and civic events in an operating contract. Because the Cultural Center will be one of the few arts-specific spaces in Redmond with a central place in the city's nascent cultural identity, turning the venue's operations over to a commercial firm, at least during the early years of its operation and evolution, is not recommended.

### City Operator

The City of Redmond has a record of leadership in the development of arts programs, initiatives, and venues. Its role as a provider of cultural activity has been established, and with the operation of the Old Redmond Schoolhouse, the Teen Center, the Senior Center, and City Hall Campus, it has experience operating facilities that serve community needs. The Center's operation will require close coordination across City departments, and its role as a cultural hub will require service to and support of existing arts and culture nonprofits, in partnership with existing city funding programs and the ongoing efforts of the Arts and Culture Commission. **As such, it is recommended that the City of Redmond plan to manage the operations of the Cultural Center.**

## Pro Forma Operating Model

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A pro forma operating model was developed in order to understand the financial implications of operating a Cultural Center in Redmond, and to identify the range-of-magnitude level of operating support that could be required. It is based on research into peer venues across the country, cost data from other city-owned venues, local market rates, activity and attendance projections, and a number of assumptions drawn from research and industry best practices.

**The model is intended to be used as a decision-making tool**, and should not be considered an operating ‘budget.’ The assumptions and allowances detailed in this model should be revised as project development continues and cultural policy in Redmond evolves, and will be especially dependent on the adjustment of the building program and activity profile once a site is selected.

### Components of the Pro Forma Model<sup>9</sup>

#### Activity Profile

- Quantifying the type and frequency of activity, by space.

#### Attendance

- Projected attendance at each event, including estimates of percent attendance by event type, and allowances for alterations in the seating configuration of the Flexible Performance Space.

#### Revenue Projections

- Programming Revenue, mostly ticket sales at presented events.

- Ancillary Revenue from concessions and catering, assuming agreements with a private concessionaire for the café and with catering companies for larger events which result in a portion of gross sales returning to the Center. This category also includes ticketing fees charged on tickets sold through the Center box office.
- Rental Revenue including Facility Rental Fees and associated labor Chargebacks - a rental subsidy for nonprofit organizations (scale and policies TBD) would be deducted from this amount. No revenue has been included to cover the City’s use of space at the Center in this model, though accounting for this use could be included in the future.
- Contributed Revenue, including Membership and Sponsorship income allowances based on comparable venues and existing sponsorship programs of City events, and direct Operating Support by the City to close the gap between revenues and expenses. In this model, Operating Support has been set at \$600k, resulting in a marginal surplus. While projected as a City subsidy, this amount could come from a combination of public funding and philanthropic contributions (beyond those outlined in the Membership program).

#### Expense Projections

- Programming Expenses associated with the series of presented performing arts events, and the major art exhibition, including artist fees, marketing, etc.
- Staffing Expenses for five full-time employees and 3.5 part-time FTEs (8.5 positions), based on current City compensation levels.

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<sup>9</sup> See Appendix I: Pro Forma Operating Forecast for detail.

- Administrative Overhead including office expenses, professional development, etc.
- Occupancy Costs calculated on a per-unit-area basis, using data from the Building Owners and Managers Association (BOMA), arts industry benchmarking, and current Redmond City Hall utility costs. This category also includes an allowance for an annual contribution to a Building Reserve Fund, to accumulate from year to year and fund major maintenance over time.

**Exclusions**

This model excludes:

- Endowment income
- Commissions on sales of artwork
- Capital campaign expenses
- Fundraising expenses of a “Friends” group
- Expenses associated with existing City programs such as Parks & Rec classes, Derby Days, etc.
- Expenses associated with shared City services such as HR, IT, accounting, etc.

**Pro Forma Summary**

<b>Operating Revenues</b>	
Programming Revenue	\$427,500
Ancillary Revenue	\$137,700
Rental Revenue	\$84,400
<b>Total Operating Revenues</b>	<b>\$649,600</b>
<b>Contributed Revenues</b>	
Memberships & Sponsorships	\$22,500
Operating Support	\$600,000
<b>Total Contributed Revenues</b>	<b>\$622,500</b>
<b>TOTAL REVENUES</b>	<b>\$1,272,100</b>
<b>Operating Expenses</b>	
Programming Expenses	\$358,000
Personnel Expenses	\$578,000
Administration	\$52,800
Building Occupancy	\$190,500
<b>TOTAL OPERATING EXPENSES</b>	<b>\$1,179,300</b>
<i>Expense Contingency</i>	<i>\$59,000</i>
<b>TOTAL EXPENSES</b>	<b>\$1,238,300</b>
<i>Operating Revenue as % of Expenses</i>	<i>52.46%</i>
<b>TOTAL RESULT</b>	<b>\$33,800</b>

## Funding Sources

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The Redmond Cultural Center is poised to address a number of key gaps in Redmond’s cultural life, as well as to help address the civic priorities of attracting and retaining talent, maintaining and improving Redmond’s quality of life, improving vibrancy and vitality in the downtown, and, equally compelling, establishing a unique cultural identity for Redmond.

The Cultural Center will require a large capital investment, as well as ongoing operating support. While the City of Redmond, as the facility’s owner and operator, would be expected to contribute significantly to both capital and operations, there is the opportunity for private support from a variety of channels. For donors to receive a charitable deduction, the City would partner with a 501(c)3 “Friends of” nonprofit to be established for the purpose of building philanthropic support for the Cultural Center’s construction and programs.

To provide a scan of the regional funding environment for cultural projects, and to outline possible funding sources, AMS retained Collins Group, consultants experienced in fundraising and nonprofit advancement for capital projects and operations in the Puget Sound region. Collins Group provided an overview of the current philanthropic landscape, both nationally and regionally, and a high-level overview of government, foundation/corporate, and private sources that might be available for the project.<sup>10</sup>

### Key Observations

Collins Groups key observations include:

- Philanthropy in the Puget Sound region is strong, and many regional nonprofits are planning or undertaking major campaigns.
- Arts and culture funding is particularly reliant on high-net-worth individual giving, relative to other segments of the nonprofit sector.
- 4Culture, the arts and culture Public Development Authority associated with King County, has a history of funding capital projects, both municipal and private. However, these contributions are typically under six figures. The recent Building For Culture grant cycle which distributed \$28 million in capital arts and culture funding is an exceptional occurrence.
- Washington State’s Building for the Arts grant funding, typically in the mid- to low- six-figures, is distributed bi-annually and requires nonprofit control of a given property. However, direct legislative appropriations at the state level can also fund municipal cultural projects.
- Foundations which fund capital are less likely to fund projects driven by a municipality, and generally want to see a clear demonstration of community need and benefit, evidence of significant campaign progress, and a sustainable operating plan.
- Corporate support is available for capital and operations and can come through a variety of channels, though in general corporate giving is shifting from community support to those efforts which support business interests. The Cultural Center’s objective of attracting and retaining talent may be attractive to Redmond businesses.

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<sup>10</sup> See Appendix H: Collins Group Funding Review Memo for detail.

- Individual support for capital and operations is highly variable and dependent on a given project's specific conditions. The "Friends of" nonprofit established for this project will have a critical leadership role in garnering individual support for the project. Credible community leaders will be key to establishing networks of donors interested in the project and its goals.
- Though Redmond has not undertaken a major arts and culture capital campaign, Redmondites likely have the capacity to contribute to such an effort. The individual identities of Eastside cities suggests that the most likely prospects will come from within Redmond itself.
- A campaign feasibility study of top prospects and funders will test key messages for the project, cultivate and identify campaign leaders, and provide a realistic philanthropic goal for capital and ongoing operating support.

## Implementation Plan

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Armed with the foregoing outline of a state of the art multipurpose Cultural Center's purpose, activity, space requirements, cost and operating structure, the City of Redmond is well positioned to consider next steps in project implementation. An overall timeline for project implementation is extremely difficult to predict and is dependent on the duration of public and private funding efforts, the identification and acquisition of a suitable site, and the project typology – i.e. whether it is to be new construction, adaptive reuse, or a mixed-use partnership with a private entity.

### Next Steps – Near Term

After the conclusion of this study, the following next steps are recommended to move the vision of a Cultural Center for Redmond forward in the next 1-3 years:

#### 1. Identify Project Champion(s)

Identify and recruit a small group of influential decision-makers who will 'carry the torch' and advocate for project implementation.

#### 2. Form a Nonprofit Support Organization

Assess options for forming a "Friends of" nonprofit whose purpose is to fundraise and advocate for the development of a Cultural Center in Redmond. This group should include an array of Redmond arts and civic leaders including policymakers, arts and culture commissioners, representatives of Redmond's arts and culture organizations, and citizens. Initially, a small group of 2-3 key leaders should be identified to 'lead the charge.'

### **3. Identify a Site**

In order to make a credible case for the development of a new cultural center, a site needs to be identified. The site assessment criteria outlined in Phase 2 should be used to evaluate possible sites for alignment with project priorities. Greenfield sites should be assessed for their ability to accommodate the needed building area; and sites containing existing buildings should be assessed for the possibility of adaptive reuse.

### **4. Complete a Concept Design**

Once a site has been identified that meets selection criteria and appears suitable for accommodating the proposed spaces and activity, a Concept Design should be developed by an architectural team (duration, 4-6 months depending on complexity). This process would include a detailed test fit of the proposed building program on the site or in the existing building, evaluating the best arrangement of space for the particular conditions. At the same time, the capital cost estimate and operating model would be updated with any adjustments in space capacity or function, to ensure the design and the business plan remain aligned. Finally, the design team would develop preliminary renderings/visualizations of the proposed project. The concept plans, updated pro forma, and renderings become a part of the Case for Support which would be tested in a Fundraising Campaign Feasibility Study.

### **5. Test Fundraising Feasibility**

To inform the level of private funding available for the project (and therefore the level of municipal support required), the final near-term step would be to undertake a Fundraising Campaign Feasibility Study. The study, undertaken by fundraising

consultants, would test the attractiveness of the assembled Case for Support with individual, foundation, and corporate donors. The results of this study would suggest the percent of needed capital and operating funds that could be expected to come from private sources.

### **6. Grow Arts & Culture in Redmond**

In order for this long term vision to succeed, the City's role in supporting arts and culture in the short term is critical. Investment in existing arts and culture programming and initiatives such as artist residencies, public art projects, and outdoor events should continue, to help build audience interest and establish Redmond as a cultural center. At the same time, periodic convenings of arts and culture stakeholders (artists, arts and cultural organizations, etc.) should be established to solicit and receive feedback, discuss issues, and generate ideas. Ongoing investment in capacity and capitalization for local arts and cultural organizations will help maximize their readiness to take advantage of the Cultural Center when it opens. In addition to this ongoing work, some more specific areas of opportunity are outlined in Observations and Opportunities below.

## **Next Steps – Longer Term**

### **Public Funding**

Once a Friends organization has been formed, a site identified, a design concept developed, and the availability of private funds confirmed, the City would embark on the process of securing public funding for the project, while the Friends organization continues to build private & community support. This effort may be influenced by the status of other major City projects, as well as by the status of Redmond's other civic/cultural venues such as the Old Redmond

Schoolhouse, the Senior Center, and the Teen Center. The scale of the project will, of course, directly influence the ease with which public funding can be allocated – an adaptive reuse project may offer significant cost savings over the new-construction cost estimate identified in Phase 2. Further, agreements with site neighbors and businesses to share parking may reduce the need for costly new parking on-site, further reducing the project budget.

### **Design**

Once the likelihood of project funding is secure, the design process can begin in earnest. Architectural design is typically divided into four phases (after Concept Design): Schematic Design (SD); Design Development (DD); Construction Documents (CD); and Construction Administration (CA). The first three phases together can be anywhere from 12 to 24 months or more in duration, depending on the complexity of the project. The design is typically led by an architectural firm, working with a team of engineers (civil, mechanical, electrical, plumbing, and structural) and specialty consultants (theatre, acoustical, lighting, etc.) to develop a coordinated design. The design documentation increases in complexity and detail as the phases progress.

### **Construction**

The duration of construction for a cultural project can vary widely depending on project typology, site conditions, seasonality, the construction market, and other factors. An adaptive reuse project could be completed relatively quickly, whereas new construction could take two years or more. When construction is complete, a period of three to six months should be allocated for move-in and establishment of programs and personnel prior to the official ‘Grand Opening.’

## **Opportunities and Observations**

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### **City of Redmond Arts & Culture Program Integration**

The City of Redmond has taken a pro-active role in programming significant arts and culture activity throughout the city. From So Bazaar to the Mobile Arts Center to the Downtown Park, the establishment of these platforms for high-quality cultural experiences are an important part of building Redmond’s cultural identity. During Phase I’s demand analysis, the team noticed that these activities and their promotion could be better integrated with the robust community/participatory arts programming already offered by the City through Parks and Rec. This would serve to link the two kinds of activities in a continuum of arts participation, and would bolster each by access to new audiences. City decision-makers should consider cross-promotion of cultural events through all available platforms, including support of the variety of nonprofit-led cultural activity that occurs throughout the city.

### **Space for Nonprofit Arts Organizations**

Nonprofit arts and cultural organizations in Redmond report a need for affordable, secure space, as well as operational and programmatic funding. The Cultural Center will go some way toward addressing the need for high-functioning performance and exhibition space, but Redmond’s nonprofits still need secure homes for their administrative and rehearsal activities, as well as production and storage. City decision-makers should consider ways in which affordable space could be made available to these groups. Possible channels include shared space use, allocation of under-used City properties, or city-facilitated partnerships between cultural organizations and business entities.

### **Related City Projects and Facilities**

During the course of this study, the status of a number of other public projects related to quality of life in Redmond has shifted. A major planned Recreation and Aquatics Center has been considered for some of the sites that might also house a Cultural Center. The future of the Old Redmond Schoolhouse, and therefore the Redmond Clay Studio, has been questioned because of Lake Washington School District's future plans. The existing Teen Center and Senior Center, which both house cultural space of various types, has also been considered in future planning. As the Cultural Center project develops, it should be informed, and if necessary adjusted, based on the outcomes of these other facilities projects.

### **Outdoor Programming**

As mentioned in the operating model above, if the proposed Cultural Center is sited near the Central Connector or Downtown Park, the Center's staff could play a major role in supporting arts and culture activity in those two venues. As the Downtown Park programming plan is developed, and other City arts and culture activities continue, some consideration should be given to whether responsibility for this programming could reside with Cultural Center staff, or would remain within City Hall.

## **Conclusion**

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Redmond has built a strong reputation as a growing center for innovation, diversity, and civic development. The City's priorities are clear, and a strong case has been made that a new Cultural Center will support these priorities as the city grows. Redmond's interest in a state of the art multipurpose arts and culture facility makes this project ideally situated to become a national exemplar for inspiring arts development. The Center has the potential to catalyze the growth of a vibrant cultural life in Redmond, which would attract talent, contribute to quality of life, increase downtown vitality, and help provide a needed identity for this important Eastside hub.

The consulting team of AMS Planning & Research, LMN Architects, and Collins Group thanks the City of Redmond, the Redmond Arts and Culture Commission, and Redmond's arts, culture, and humanities organizations for the opportunity to help develop this exciting plan.

## Further Reading

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This study's work was informed by a comprehensive literature review of academic and arts/culture industry publications. Those most relevant to creating a Cultural Center in Redmond are listed below, and are recommended as additional reading for project leadership.

Alvarez, Maribel. There's Nothing Informal about It: Participatory Arts within the Cultural Ecology of Silicon Valley. San José: Cultural Initiatives Silicon Valley, 2005.

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Walker, J. Christopher., Stephanie Scott-Melnyk, and Kay E. Sherwood. "Community Venues." Reggae to Rachmaninoff: How and Why People Participate in Arts and Culture. Washington, D.C.: Urban Institute, 2002.

# **Appendix A**

## **Market Analysis Report**



# City of Redmond Cultural Facilities Feasibility Study

## Market Analysis Report

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July 2015  
AMS Planning & Research Corp.

## Contents

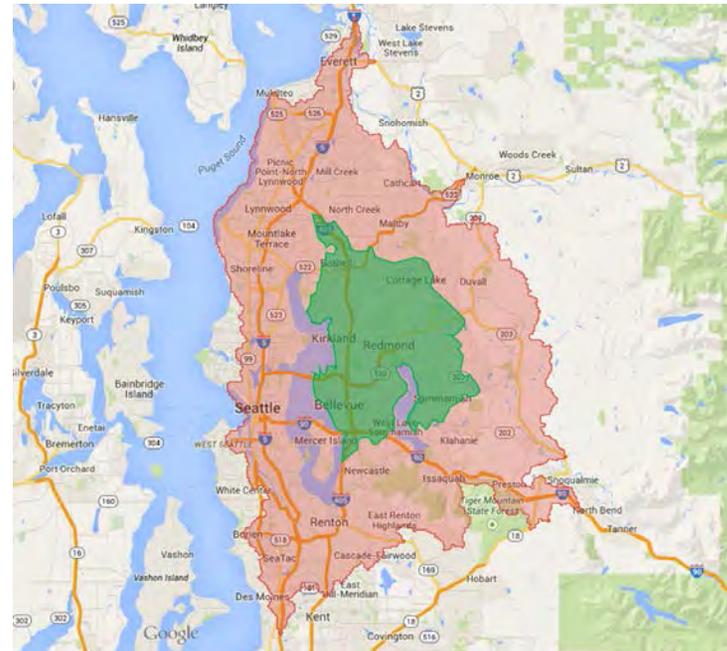
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## Introduction

This report was prepared for the City of Redmond as part of its Cultural Facilities Feasibility Study. It is intended to explore the current resident marketplace and to aid in understanding the demand potential for arts programs and activities. Based on an analysis of drive times from the intersection of Cleveland Street and Leary Way NE, Redmond, Washington, (see Appendix A for details) the following market areas are considered in this report:

- **Primary Market Area (in green):** the 14 ZIP Codes that are approximately within a 15-minute drive from downtown Redmond. A primary market is where an venue would expect to find 75-85% of its customers.

- **Secondary Market Area (in red):** the additional 52 ZIP Codes that are within an approximate 30-minute drive from downtown Redmond. A secondary market should hold an additional 5-15% of customers. One would expect 90-95% of customers to come from the primary and secondary market areas.



**Part I: “Market Scan”** contextualizes the demographics and behavioral attributes of the market areas by comparing the primary market and secondary market areas to both the state and the United States. AMS compares market areas to both the region and the United States to distinguish between regional characteristics and characteristics unique to the market area and any differences in consumer demand.

**Part II: “In-Depth Consumer Insights”** uses national consumer research data to identify specific segments in the market areas that show an increased potential to participate in arts and cultural activities.

Based upon findings in Parts I and II, AMS added a third component to aid in its analysis of the market for arts and cultural participation in Redmond:

**Part III: “Asian Households”** uses 2010 United States census data to better understand key demographic differences between key Asian categories (Indian and Chinese) and the non-Asian households found in Redmond.

## Key Findings

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- The primary market population is largely **upper middle class, highly educated, white collar, and ethnically diverse**, and is growing at nearly two times the rate as the rest of the United States.
- There is a **high concentration of Asians** in these areas, particularly in the primary market. The majority of these households identify as **Indian** or **Chinese**. Compared to White households and the rest of the primary market, these households tend to be **younger, highly educated, white collar professionals** with **higher household incomes**.
- Households in the primary market are at least **1.5 times more likely than the average US household to participate in certain arts and cultural activities**, including “Listen to Classical Radio,” “Belong to an Arts Organization,” “Go to Live Theatre,” “Go to a Museum,” and “Go to Music/Dance Performance.”
- Within the primary market, there are two large segments of households that demonstrate a higher propensity (compare to the average US household) to participate in arts programs or activities:
  - **Childless singles and couples in their thirties and forties who are college-educated and make six-figure incomes at executive and professional jobs** are 1.4 times more likely to participate in arts activities and make up 44% of the primary market area
  - **Upscale couples who are college educated, hold executive and professional positions and are over the age of 45** are 1.8 times more likely to participate in arts activities and make up 13% of the primary market area
- In the secondary market, there is an additional large segment of households that is 1.2 times more likely to participate in arts activities and make up 24% of the secondary market area (these households are largely concentrated in eastern Seattle):
  - **Young, hip, single twenty-somethings who've recently settled in metro neighborhoods.** Their incomes range from working-class to well-to-do, but most are still renting apartments in cities or close-in suburbs.

## I. Market Scan

### Demographic Summary

The primary market area selected for study contains 14 ZIP Codes that are approximately within a 15-minute drive from downtown Redmond. Generally, a primary market is where an organization would expect to find 75-85% of its customers. An additional secondary market area (where an organization would expect to find an additional 5-15% of its customers) is also considered, containing 52 ZIP Codes that are between a 15- and 30-minute travel time.

The 2015 population in the primary market is estimated to be 396,250. Over the next five years, the population is projected to grow by 6.8%, outpacing the national average by almost 100%. The 2015 number of households in this area is estimated to be 160,309. Over the next five years, the number of households is projected to increase by 7.0%.

The median age for this area is 38.6, while the average age is 39.

69.9% of individuals are White, 1.8% are Black or African American, 0.4% are American Indian and Alaska Native, 20.5% are Asian, 7.4% are some other race. This area's current estimated Hispanic or Latino population is 7.1%.

The average household income is estimated to be \$123,617 for the current year, nearly 75% higher than national average and 35% higher than the secondary market area.

Currently, an estimated 21.8% of the population age 25 and over in this area has earned a Master's Degree or higher and 16.3% has earned a Bachelor's Degree.

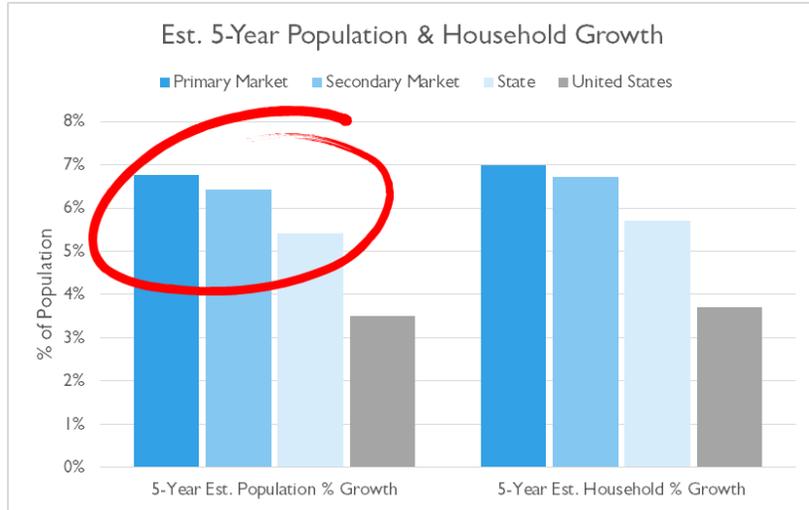
### 2015 Demographic Snapshot

Primary Market: ZIP Codes within 15-Minute Travel Time

Secondary Market: ZIP Codes within 30-Minute Travel Time

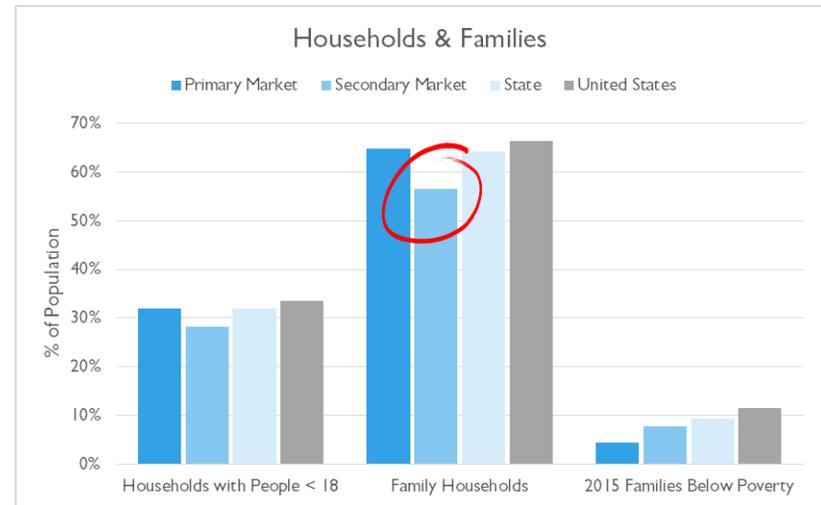
	Primary Market	Secondary Market	State	United States
<b>Population</b>				
2015 Estimate	396,250	1,448,519	7,083,352	317,199,353
2020 Projection	423,078	1,541,662	7,466,587	328,309,478
5-Year Est. Population % Growth	6.8%	6.4%	5.4%	3.5%
<b>Households &amp; Families</b>				
2015 Household Estimate	160,309	596,424	2,770,334	120,163,323
2020 Household Projection	171,504	636,503	2,928,675	124,622,797
5-Year Est. Household % Growth	7.0%	6.7%	5.7%	3.7%
Households with People < 18	51,256 32.0%	168,143	31.9%	33.5%
<b>Population by Age</b>				
Under 5	24,457 6.2%	83,714	5.8%	6.3%
5 - 17	63,434 16.0%	213,087	14.7%	16.4%
18 - 24	29,506 7.4%	127,395	8.8%	9.5%
25 - 44	118,501 29.9%	448,599	31.0%	26.9%
45 - 64	108,581 27.4%	390,730	27.0%	26.7%
65 and Over	51,771 13.1%	184,994	12.8%	14.2%
2015 Est. Average Age	39	39	39	39
2015 Est. Median Age	38.6	38.1	38.1	37.7
<b>Population (Age 25+) by Education Attainment</b>				
Bachelor's Degree	97,156 34.8%	282,567	27.6%	20.2%
Master's Degree or Higher	60,885 21.8%	165,981	16.2%	11.4%
<b>Household Income</b>				
2015 Est. Average Household Income	\$123,617	\$91,874	\$78,844	\$71,319
2015 Est. Median Household Income	\$95,087	\$68,026	\$60,320	\$51,579
<b>Population Hispanic or Latino by Origin</b>				
Hispanic or Latino	28,027 7.1%	136,106	9.4%	12.3%
<b>Population Race Class</b>				
White	277,094 69.9%	950,878	65.6%	75.3%
Black or African American	7,077 1.8%	100,414	6.9%	3.8%
Amer. Indian and Alaska Native	1,600 0.4%	11,195	0.8%	1.5%
Asian	81,203 20.5%	240,339	16.6%	7.9%
Native Hawaiian and Other Pac. Isl.	733 0.2%	9,051	0.6%	0.6%
Some Other Race	28,543 7.2%	136,642	9.4%	10.7%

### Demographic Details



**The population in both market areas and in the state is expected to grow at a faster rate than both the state and the country.**

*Between 2015 and 2020, a growth of 6.8% is expected in the primary market and 6.4% in the secondary market, compared to 5.4% in the state and 3.5% in the United States.*

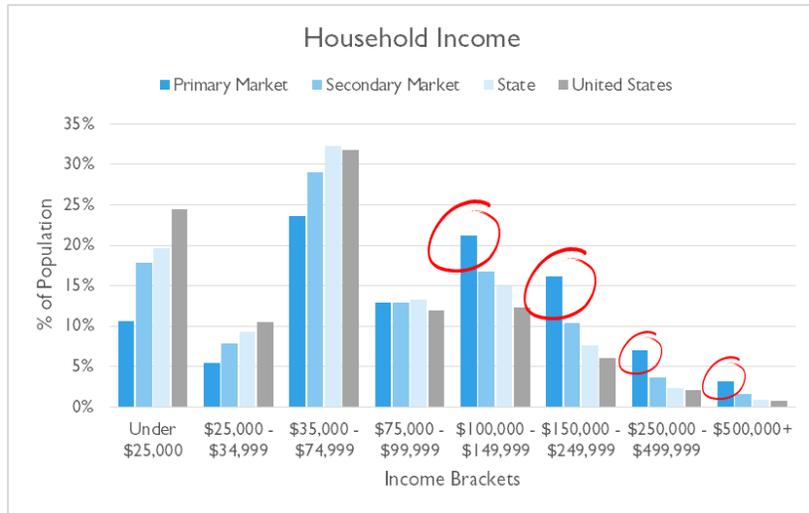


**While the primary market is consistent with the state and nation regarding percentage of family households (households with one or more persons related by birth, marriage, or adoption), in the secondary market, households are less likely to be family households.**

*In the secondary market, only 56.6% of households are family households, compared to 64.8% in the primary market, 64.3% in the state and 66.4% in the United States.*

**In the primary market, families are significantly less likely to live below the poverty line.**

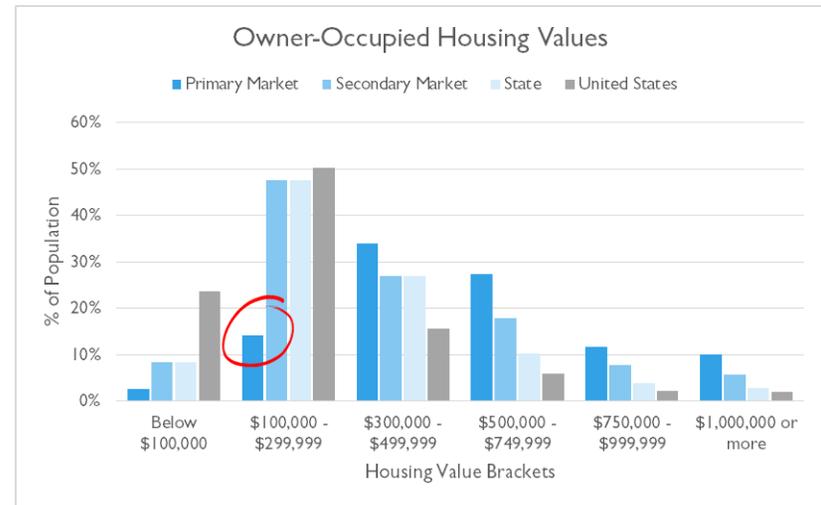
*In the primary market 4.5% of family households live below the poverty line, compared to 7.8% in the secondary market, 9.3% in the state and 11.5% in the United States.*



**In the primary market, households are more likely to have “Upper Middle Class” incomes or higher.**

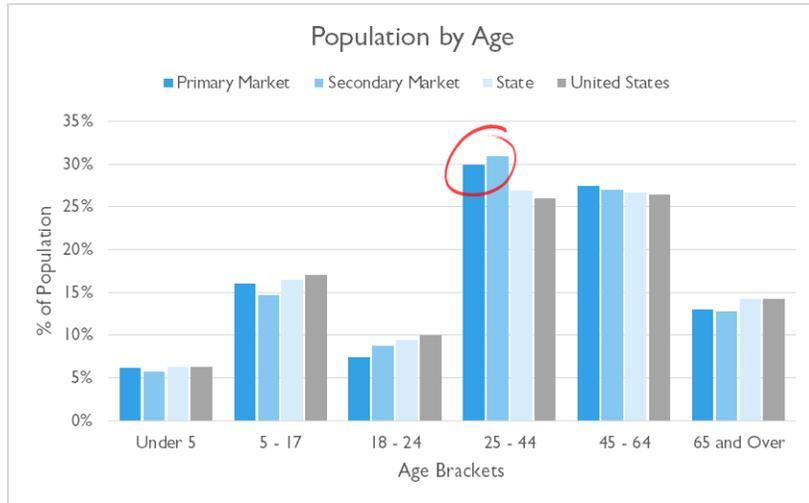
*47.5% of households in the primary market have household incomes greater than \$100,000, compared to 32.4% in the secondary market, 25.7% in the state, and 21.3% in the United States.*

*The average household income in the primary market is \$123,617, compared to \$91,878 in the secondary market, \$78,844 in the state, and \$71,319 in the United States.*



**In the primary market, house values are significantly more likely to be \$300,000 and above.**

*83.1% of houses in the primary market are valued at \$300,000 and above, compared to 58.3% in the secondary market, 43.8% in the state, and 25.9% in the United States.*



**In the primary market, the age distribution is very similar to that of the United States.**

*In the primary market, 29.9% (and 31.0% in the secondary market) of the population is between the ages of 25 and 44, compared to 26.9% in the state and 26.0% in the United States.*

*In the primary market, 39 is the estimated 2015 average age (38.6 median), compared to 39 (38.1 median) in the secondary market, 39 (38.1 median) in the state, and 39 (37.7 median) in the United States.*

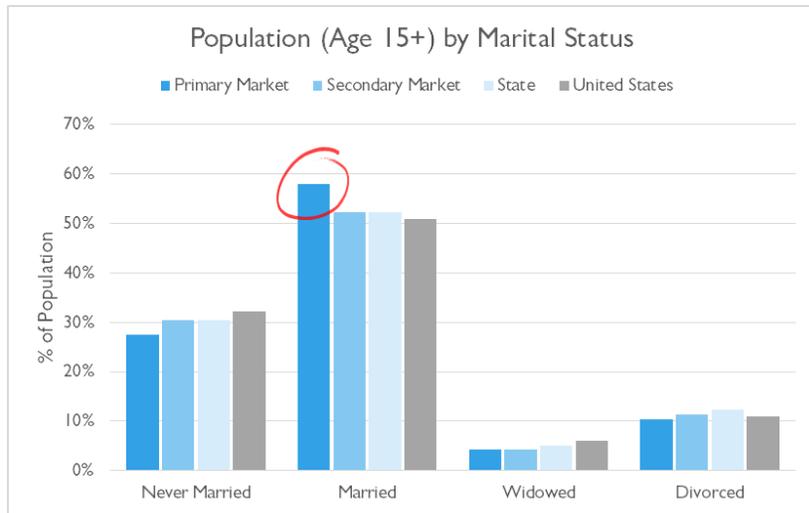


**Over the next five years, the fastest growing age segments in the primary market are expected to be segments “65 and Over” and 45-64.**

*By 2020, the age segment 65 and Over is expected to grow 26% in the primary market, compared to an expected 18% growth in the United States.*

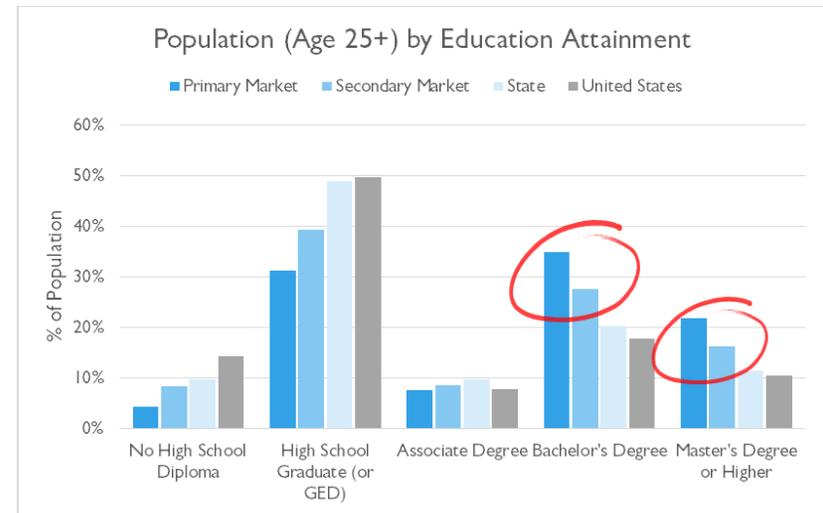
*By 2020, the age segment 45-64 is expected to grow 9% in the market area, compared to an expected 1% growth rate in the United States.*

*Overall, the market area’s median age is expected to increase from 38.6 to 40.3, compared to a change of 37.9 to 38.8 in the United States.*



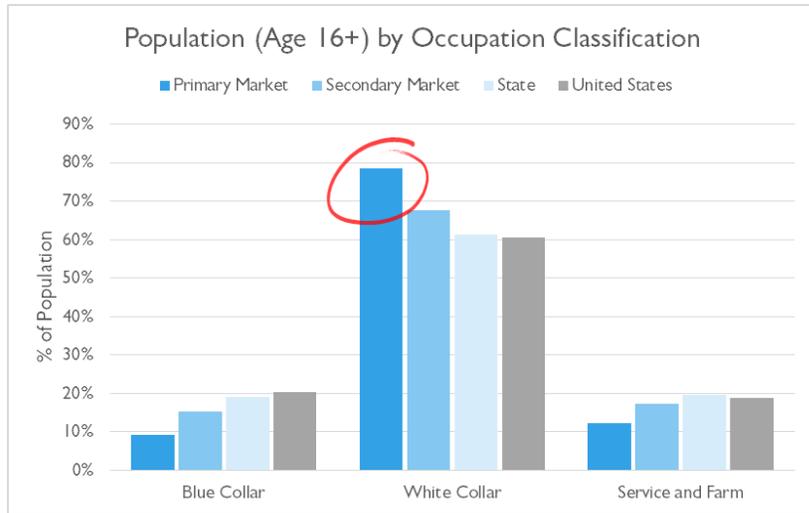
**In the primary market, the population is more likely to be married.**

*In the primary market, 58.1% of population (age 15+) is married, compared to 52.3% in both the secondary market and in the state, and 50.9% in the United States.*



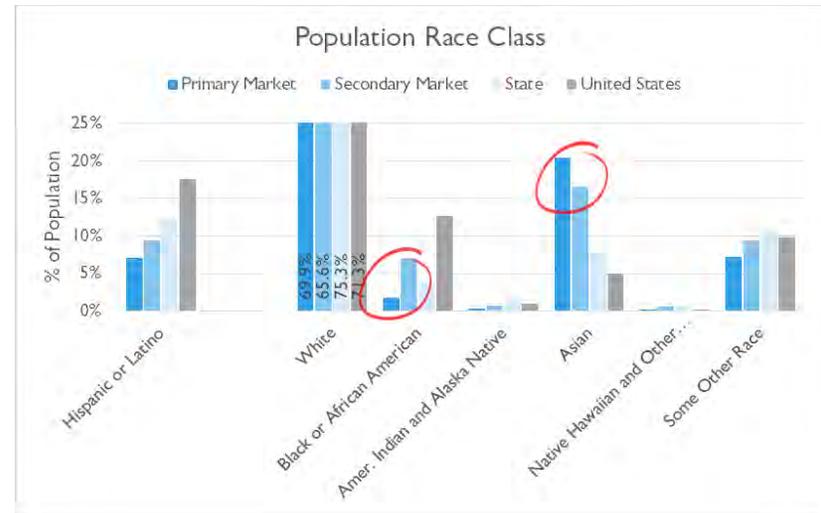
**In both market areas, the population is more likely to have attained higher levels of education.**

*56.7% of the population (age 25+) in the primary market (and 43.8% in the secondary market) attained a Bachelor's degree or higher, compared to 31.6% in the state and 28.4% in the United States.*



**In the primary market, the population is more likely to work in “White Collar” occupations.**

*78.6% of the population (age 16+) in the primary market holds an occupation classified as “White Collar,” compared to 67.6% in the secondary market, 61.2% in the state, and 60.7% in the United States.*

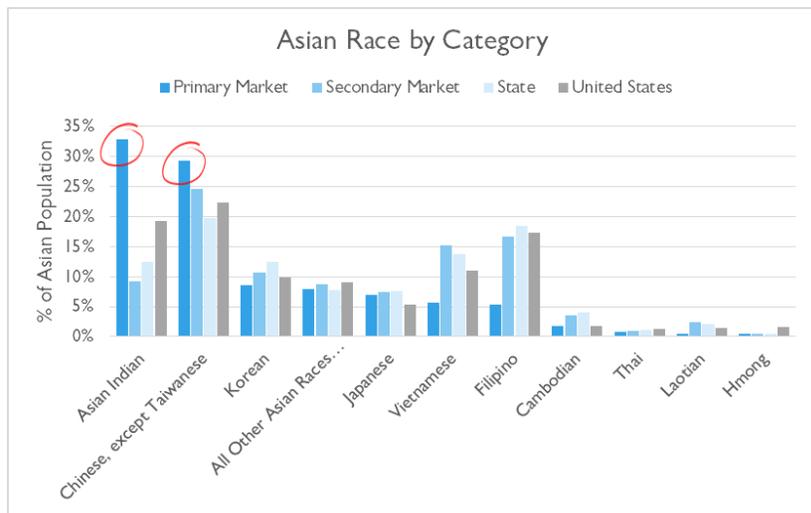


**In the primary market, the population is less likely to identify as Black of African American.**

*In the primary market, only 1.8% of the population identify as Black or African American, compared to 6.9% in the secondary market, 3.8% in the state, and 12.7% in the United States.*

**In the primary and secondary markets, there are a significant population that identifies as Asian.**

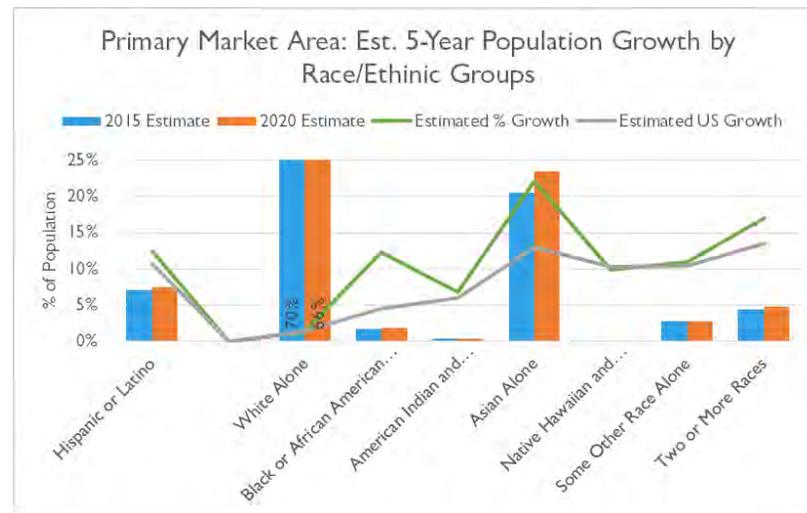
*In the primary market, 20.5% of the population (and 16.6% of the secondary market area) identify as Asian, compared to 7.9% in the state and 5.0% in the United States.*



**In the primary market, the Asian population is largely Indian and Chinese.**

*In the primary market, 32.9% of the Asian population (or 26,683 individuals) are Indian and 29.3% (or 23,792 individuals) are Chinese.*

*In the secondary market, 24.6% of the Asian population (or 59,067 are Chinese, while 16.7% (or 40,029 individuals) are Filipino and 15.3% (or 36,672 individuals) are Korean.*



**Over the next five years, the population growth rate in the primary market of the groups identifying as Asian will outpace the United States growth rate.**

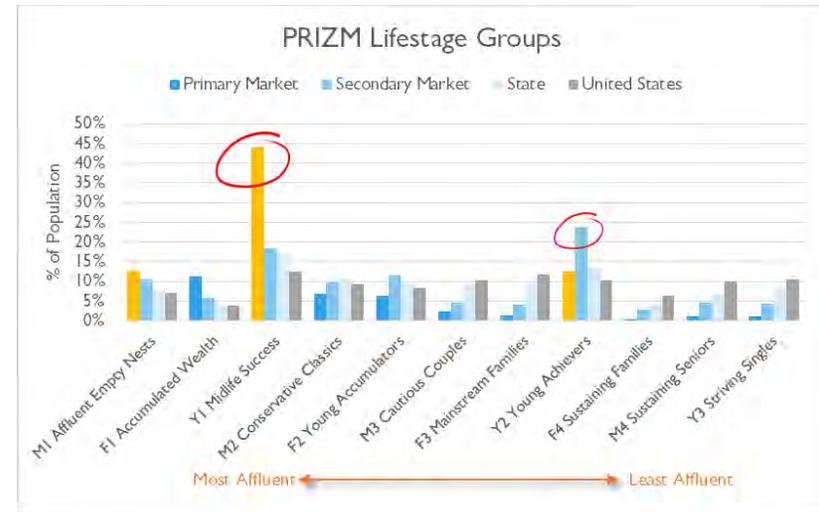
*By 2020, the Asian group is expected to grow 22% in the primary market area, compared to an expected 6% growth rate in the United States.*

## Market Segmentation

In order to understand lifestyle behaviors of the primary market area, AMS used the PRIZM<sub>NE</sub> market segmentation system, developed by The Nielsen Company, to categorize the households in the market based on demographic profiles and consumer research into psychographic and consumption patterns.

AMS's market profiling and segmentation system is a micro-geographic consumer targeting system that segments every household in the United States into one of 66 unique clusters based on similar demographic and behavioral attributes. Clusters can then be grouped into 11 PRIZM Lifestage groups. Households are assigned to Lifestage groups based on the combination of these factors:

- Affluence: a combination of household income and net wealth
- Householder Age & Household Composition: one of three categories determined in some part by whether or not the household has kids still living at home:
  - M = Mature Years
  - F = Family Life
  - Y = Younger Years



**Nearly 70% of the primary market area households can be found in three PRIZM Lifestage groups (in yellow on chart), with 44% of the market in a single group:**

**Y1: Midlife Success** households comprise 44% of market area households and are 3.5 times more concentrated in the market area than in the United States:

Midlife Success households are filled with childless singles and couples in their thirties and forties. The wealthiest of the Younger Years, this group is home to many white, college-educated residents who make six-figure incomes at executive and professional jobs but also extends to more middle class segments. Most of these segments are found in suburban and exurban communities, and consumers here are big fans of the latest technology, financial products, aerobic exercise, and travel.

Within the Midlife Success Group in the primary market area, the following clusters are most predominant:

**12 Brite Lites, Li'l City**      17% Primary Market Area

Sophisticated, well-off, middle-aged couples settled in satellite cities. Dual income, no kids households have college educations, well-paying business and professional careers, and nice homes filled with the latest technology

**3 Movers & Shakers**    13% Primary Market Area

Up and coming business class: a wealthy suburban dual-income couples who are highly educated, typically between the ages of 45 and 64, without children. High percentage of executives and white-collar professionals.

**8 Executive Suites**    7% Primary Market Area

Upper middle-class singles and couples living just beyond the nation's beltways. Significant numbers of Asian-Americans and college graduates, white-collar professionals drawn to comfortable homes and apartments within a manageable commute to downtown jobs, restaurants, and entertainment.

**M1: Affluent Empty Nests** households comprise 13% of market area households and are 1.8 times more concentrated than in the United States:

Affluent Empty Nests features the wealthiest households with upscale couples who are college educated, hold executive and professional positions and are over 45. While their neighborhoods are found across a variety of landscapes--from urban to small-town areas--they all share a propensity for living in large, older homes. With their children out of the house, these consumers have plenty of

disposable cash to finance active lifestyles rich in travel, cultural events, exercise equipment, and business media. These folks are also community activists who write politicians, volunteer for environmental groups, and vote regularly in elections.

Within the Affluent Empty Nests Group in the primary market area, the following clusters are most predominant:

**10 Second City Elite**      5% Primary Market Area

Residents of satellite cities who tend to be prosperous professionals with disposable incomes spent on computers, large-screen TV sets, and luxury goods such as fine wines. More than half hold college degrees. This group has a high affinity for cultural activities--from reading books to attending theater and dance productions.

**1 Upper Crust**              5% Primary Market Area

Empty-nesting couples over the age of 55. White collar professionals with incomes over \$100,000 a year and postgraduate qualifications. Almost exclusively homeowners.

**9 Big Fish, Small Pond**      2% Primary Market Area

Older, upper-class, college-educated professionals. Empty-nesting couples who belong to country clubs, maintain large investment portfolios, and spend freely on computer technology.

**Y2: Young Achievers** households comprise 12% of market area households and are 1.2 times more concentrated than in the United States. These households are also important to the secondary market, comprising 24% of the secondary market.

Young, hip singles are the prime residents of Young Achievers, a Lifestage group of twenty-somethings who've recently settled in metro neighborhoods. Their incomes range from working-class to well-to-do, but most residents are still renting apartments in cities or close-in suburbs. This group contains a high percentage of Asian singles, and there's a decidedly progressive sensibility in their tastes as reflected in the group's liberal politics, alternative music, and lively nightlife. Young Achievers are twice as likely as the general population to include college students living in group quarters.

**Within the Young Achievers Group in the primary market area, the following clusters are most predominant:**

**24 Up and Comers 6% Primary Market Area**

Younger, upper-midscale singles before they marry, have families, and establish more deskbound lifestyles. Disproportionate number of recent college graduates who are into athletic activities, the latest technology, and nightlife entertainment.

**22 Young Influentials 4.3% Primary Market Area**

Middle-class singles and couples who balance work and leisure pursuits and live in apartment complexes surrounded by ball fields, health clubs, and casual-dining restaurants.

The Young Achievers Group, while well-represented in the Primary Market Area, is even more predominant in the Secondary Market Area, indicating a concentration of these consumers in Seattle. The Young Achievers clusters which are heavily represented in the Secondary Market Area differ from those in the Primary Market Area:

**31 Urban Achievers 0% Primary 7.3% Secondary**

Sophisticated, well-off, middle-aged couples settled in satellite cities. Dual income, no kids households have college educations, well-paying business and professional careers, and nice homes filled with the latest technology

**16 Bohemian Mix 0% Primary 5.5% Secondary**

Liberal mobile urbanites, ethnically diverse, progressive mix of young singles, couples, and families ranging from students to professionals. In their funky row houses and apartments, Bohemian Mixers are the early adopters who are quick to check out the latest movie, nightclub, laptop, and microbrew.

**4 Young Digerati 0% Primary 4% Secondary**

Tech-savvy singles and families living in fashionable neighborhoods on the urban fringe. Affluent, highly educated, and ethnically mixed. Young Digerati communities are typically filled with trendy apartments and condos, fitness clubs and clothing boutiques, casual restaurants and all types of bars--from juice to coffee to microbrew.

**There is one PRIZM Lifestage groups that constitute a significant presence in the secondary market, but is largely absent from the primary market. These households are largely concentrated in eastern Seattle:**

**Young Accumulators** are slightly younger and less affluent than their upscale peers. Ethnically diverse, these households include an above-average number of Hispanic and Asian-Americans. Adults typically have college educations and work a mix of white-collar managerial and professional jobs. Found mostly in suburban and exurban areas, the large families in

Young Accumulators have fashioned comfortable, upscale lifestyles in their mid-sized homes. They favor outdoor sports, kid-friendly technology and adult toys like campers, powerboats, and motorcycles. Their media tastes lean towards cable networks targeted to children and teenagers.

**Affinities**

To better understand the market area’s product and service preferences, the **Profile Ranking Index** report compares a collection of Television Viewership, Radio Media Usage, Sports & Leisure Activities and Psychographic profiles against the PRIZM profile of the market area to determine which are used/occur at above-average in the segments that have the highest concentrations in the market area.

The affinities strongly correlated to this market are:

Affinities	Index
Acquire New Hyundai (H)	311
Foreign Travel on US Airways,3yr (A)	214
Domestic Travel on Delta Airlines, 1yr (A)	211
Shop at Homegoods,3mo (A)	191
Domestic Travel to NY/PA/NJ, 1yr (A)	190
Exercise at Club, 1yr (A)	178
New Vehicle has Satellite Radio (H)	168
Shop at Bed Bath & Beyond,3mo (A)	165
Rent Vehicle from Enterprise (A)	164
Use PC for Accounting (H)	160
Most Recently Acquired Vehicle Was New (H)	145
Shop at Hallmark/Hallmark Gold Crown, 3mo (A)	141
Next Vehicle Purchase, New Vehicle (H)	135
Shop at Kohl's,3mo (A)	134

The Index (average United States household = 100) indicates how much more likely households in the market area are to participate in each interest, behavior or activity, as compared to the average household in the US.

**Arts & Culture Affinities**

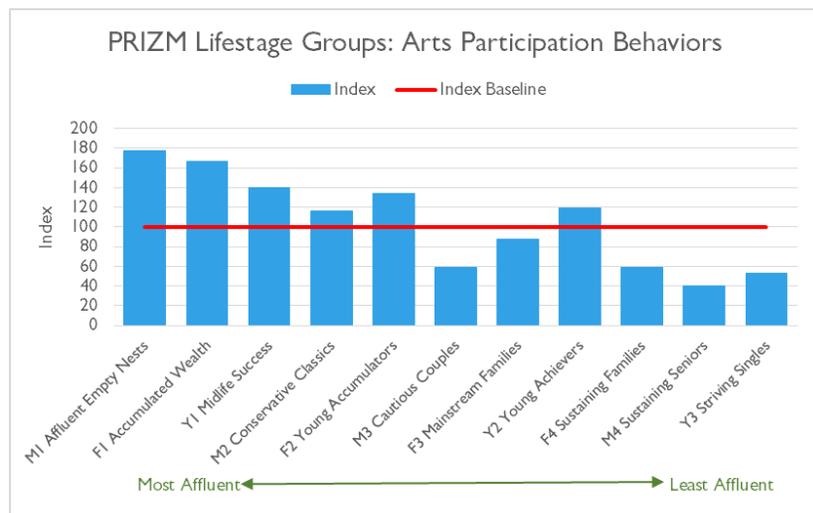
Affinities	Index
Classical Radio, Net Audience (A)	205
Belong to an Arts Association (A)	159
Buy Jazz Music, 1yr (A)	157
Go to Live Theater, 1yr (A)	157
Go to Museum, 1yr (A)	151
Go to Music/Dance Performance, 1yr (A)	150
Contribute to PBS,\$50+, 1yr (A)	147
Buy Classical Music, 1yr (A)	141
Go to Classical Concert, 1yr (A)	139
Contribute to PBS, 1yr (A)	134
Interested in The Arts, Agr (A)	131
Make Charitable Contribution, 1yr (A)	128
Do Photography, 1yr (A)	127
Play Musical Instrument, 1yr (A)	124
Go to Zoo, 1yr (A)	115
Music Is an Important Part of My Life, Agr (A)	112
Do Painting/Drawing/Sculpting, 1yr (A)	106
Jazz Radio, Net Audience (A)	98
Buy Latin Music, 1yr (A)	82

Behaviors with above average (100) indices, indicate households in the market area are more likely to participate in those activities than the average US household.

## II. In-Depth Consumer Insights

In partnership with Nielsen, AMS uses Simmons® National Consumer Studies<sup>1</sup> to analyze market area attitudes, product and brand preferences, media consumption habits and demographic and lifestyle characteristics.

Reviewing the 2014 Simmons’ profile of households whose adults are most likely to participate in arts programs or activities (“Go to Live Theater, 1yr,” “Go to Classical Concert, 1yr,” and “Go to Music/Dance Performance, 1yr”) by Lifestage Groups, we find certain groups have an above average (measured as an index over 100) propensity to participate in the arts:



- M1 Affluent Empty Nests households are 1.77 times more likely to participate in arts programs or activities than the average US household
- F1 Accumulated Wealth are 1.67 times more likely
- Y1 Midlife Success are 1.39 times more likely
- F2 Young Accumulators are 1.34 times more likely
- Y2 Young Achievers are 1.19 times more likely
- M2 Conservative Classics are 1.17 times more likely

Using the national average based on the Simmons’ data, in the primary market area:

- An estimated 91% of these households will “Go Music/Dance Performance” at least once during a single year
- An estimated 65% of households will “Go to Museum” at least once during a single year.
- An estimated 60% of households will “Go to Live Theatre” at least once during a single year.
- An estimated 12% of these households will “Go Classical Concert” at least once during a single year.

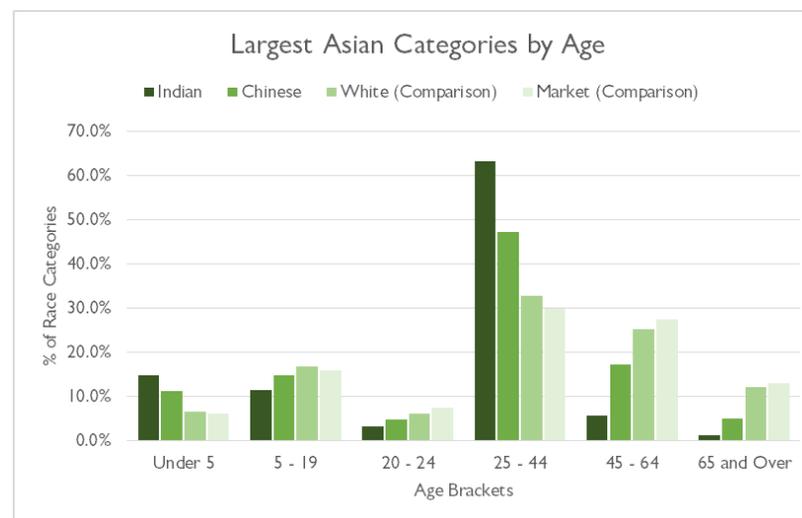
<sup>1</sup> Source: 2014 Experian Simmons Report. Copyright 2014 Experian Marketing Solutions, Inc. All rights reserved.

### III. Asian Population

In the primary market, 20.5% of the population identify as Asian, which is a 2.5 times greater concentration than in Washington state and 4 times greater than in the United States. The majority of the Asian population identify as either Indian (32.9%) or Chinese (29.3%).

Given the high concentration of Indian and Chinese households, the following analysis compares key demographics of these groups to those of White households and the overall primary market. The selected demographics (age, education attainment, occupation classification, and income) are known to positively correlate with increased participation in arts and culture activities.

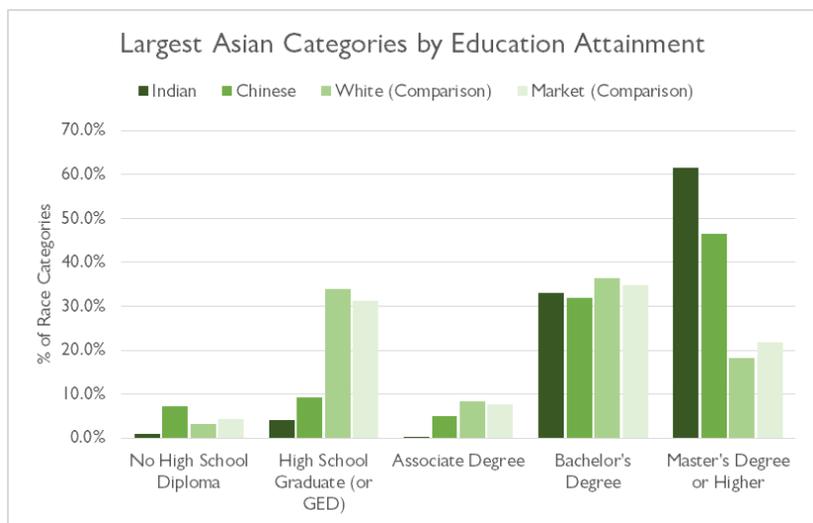
**The available demographic data is taken from the U.S. Census Bureau, 2006-2010 American Community Survey, from which the most relevant geographic entity found was for the city of Redmond only.**



**The majority of the Indian and Chinese populations in Redmond are between the ages of 25 and 44.**

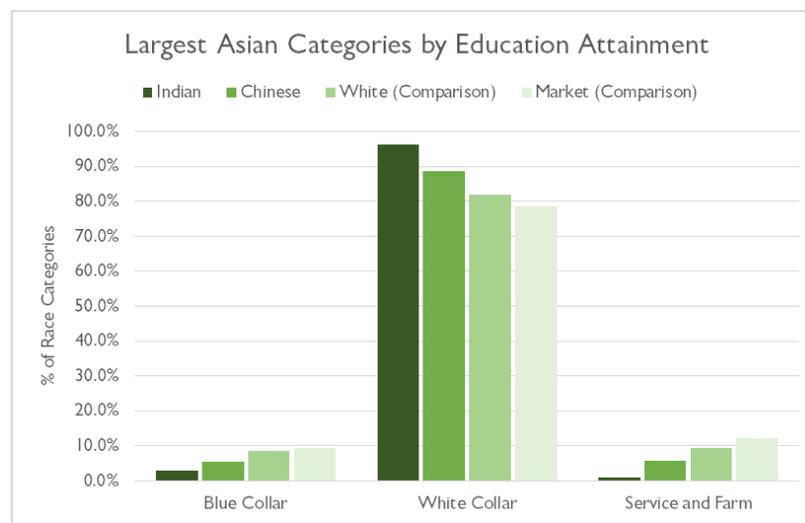
*In Redmond, 63.3% of the Indian population and 47.1% of the Chinese population is between the ages of 25 and 44, compared to only 32.9% of the White population and 29.9% of the overall primary market area.*

*In Redmond, 30 is the average age for the Indian population and 33 for the Chinese population, compared to 37 for the White population and 39 for the primary market area.*



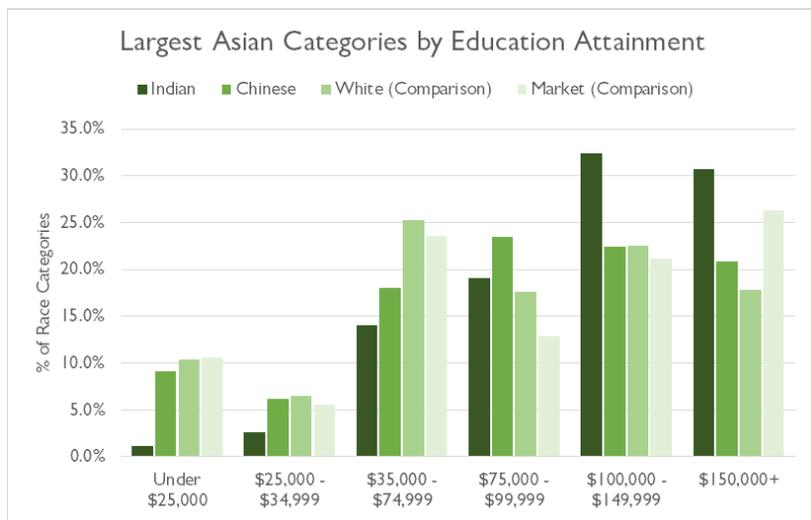
**The majority of the Indian and Chinese populations in Redmond have attained higher levels of education.**

*In Redmond, 61.6% of the Indian population and 46.4% of the Chinese population have attained a Master's degree or higher, compared to only 18.1% of the White population and 21.8% of the overall primary market area.*



**The majority of the Indian and Chinese populations in Redmond hold occupations classified as “White Collar.”**

*In Redmond, 96.2% of the Indian population and 88.7% of the Chinese population hold “White Collar” occupations, compared to 82.0% of the White population and 78.6% of the overall primary market area.*



**A majority of the Indian population in Redmond have “Upper Middle Class” or higher household incomes.**

*In Redmond, 63.1% of the Indian population have household incomes of \$100,000 or higher, compared to only 43.3% of Chinese, 40.3% of the White population and 47.5% of the overall primary market area.*

*The Redmond, the average household income for the Indian population is \$132,147 and \$112,612 for the Chinese population, compared to \$99,200 for the White population and \$95,087 for the overall primary market area.*

# **Appendix B**

## **Phase I City Council Update Slides**

**11 August 2015**

# Redmond Cultural Facilities Study

City Council Update

11 August 2015

AMS

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Industries

# Study Overview

1

- What **demand** exists for arts and cultural space in and around Redmond, given existing and planned cultural infrastructure?
- If demand exists for new cultural facilities, **what type of spaces or structures** might best accommodate this demand?

2

- **Where** could such a facility/facilities be located?  
**How much** might it/they cost to build?

3

- What would be an appropriate **business and financial plan** for a new facility(ies)?

# Study Update



**REDMOND CITY COUNCIL 07.14.15** [redmond.gov](http://redmond.gov)



# Civic Priorities

## Attract & Retain

- High-quality Programming
- Inclusive / Global Cultures
- Nightlife, Weekends

## Quality of Life

- Participatory Activities
- Range of Creative Opportunities
- Inclusion

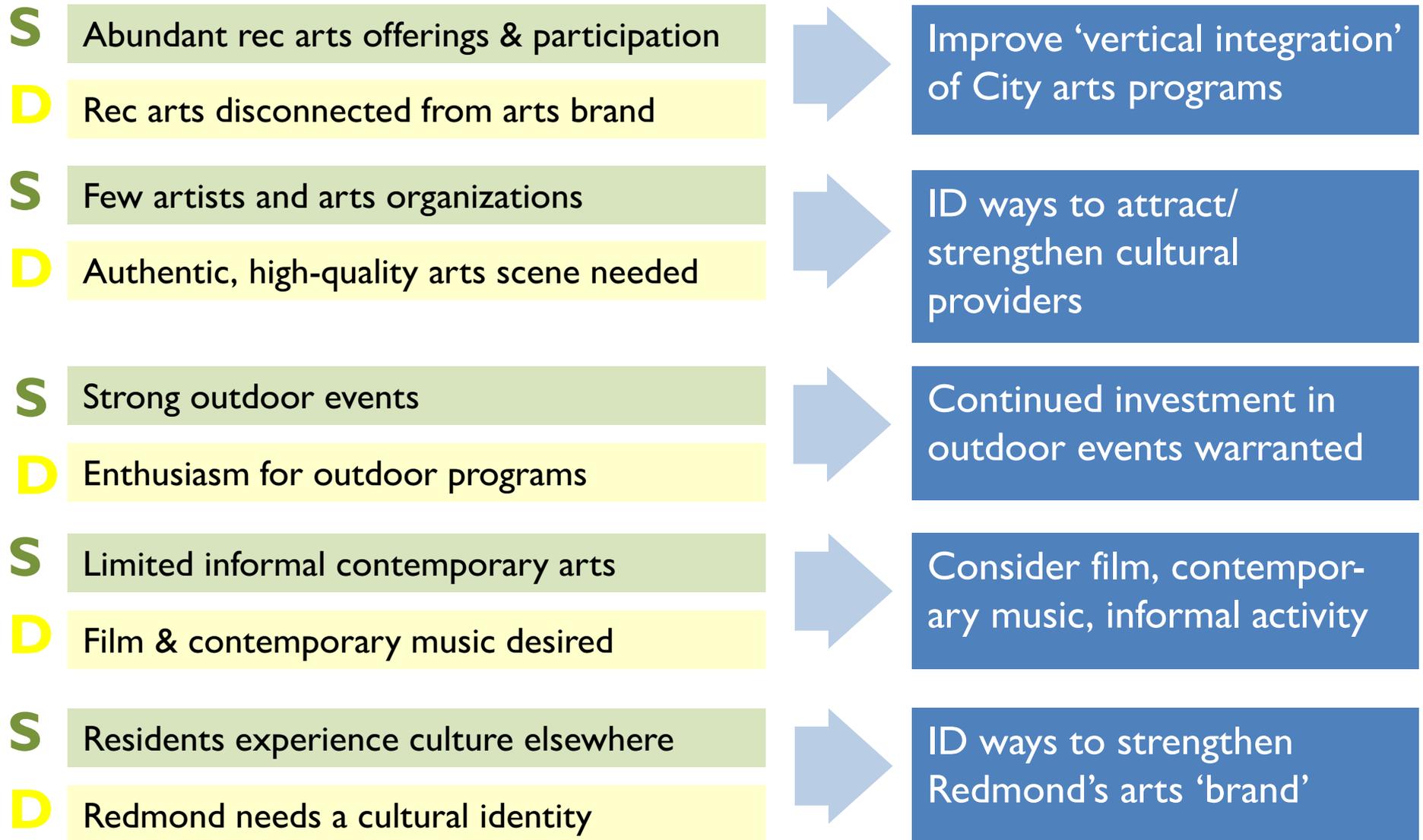
## Downtown Vibrancy

- Round-the-Clock Activity
- Focus on Downtown
- Draw Dining and Retail

## Identity

- Authenticity & Uniqueness
- Attract Artists
- Grow Redmond's 'soul'

# Activity: Supply vs Demand



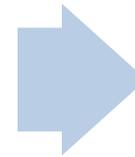
# Venues: Supply vs Demand

- S** Few indoor arts-specific spaces
- D** Citizens interested in downtown venues



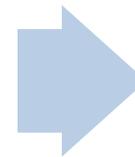
Consider scenarios for arts destination downtown

- S** Mid-Scale PACs abundant in the area
- D** Some demand for performance venue in Redmond; but another PAC tough to justify



Consider opportunities for nontraditional, multipurpose performance venues

- S** Parks & Trails host significant cultural activity
- D** Outdoor venues lack adequate support infrastructure



Consider power, water, support space for most-used outdoor venues

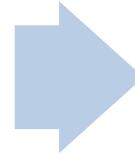
# Venues: Supply vs Demand

**S**

City venues host robust community arts activity

**D**

Rec programs could be 'validated' by cultural space



Consider including selected rec program space in Redmond's 'cultural home.'

**S**

Non-city arts space sparse and at risk

**D**

Artists and groups report need for affordable space



Consider space availability for nonprofit cultural providers

# Activity

# Venue

Improve 'vertical integration' of City arts programs

ID ways to attract/ strengthen cultural providers

Continued investment in outdoor events warranted

Consider film, contemporary music, informal activity

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# Gap Analysis Results

Improve 'vertical integration' of City arts programs

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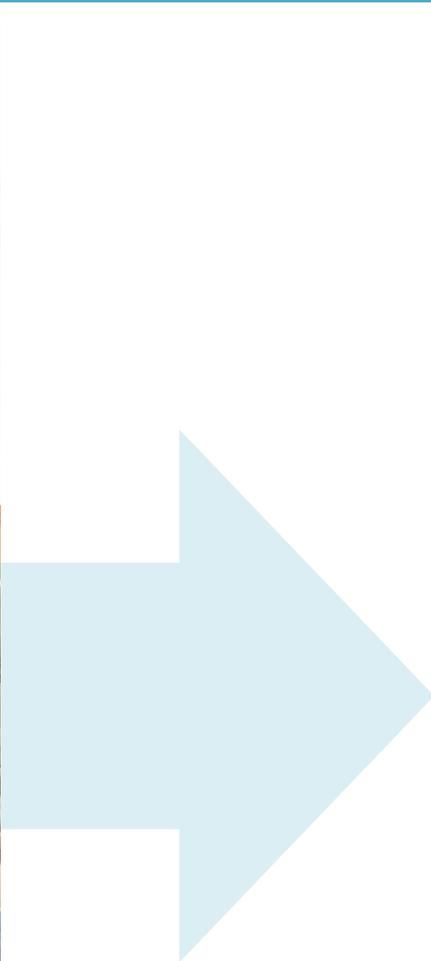
# Trends and Examples

AMS

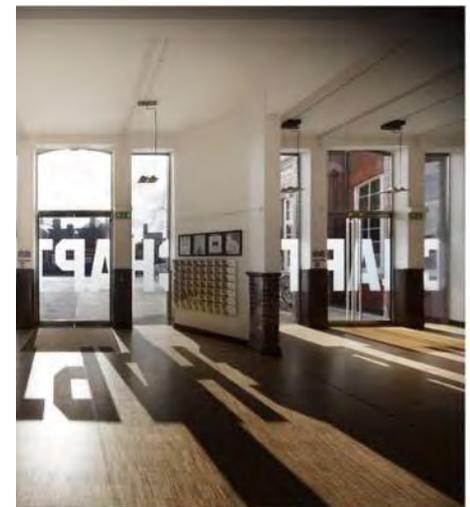
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# What is a cultural facility?

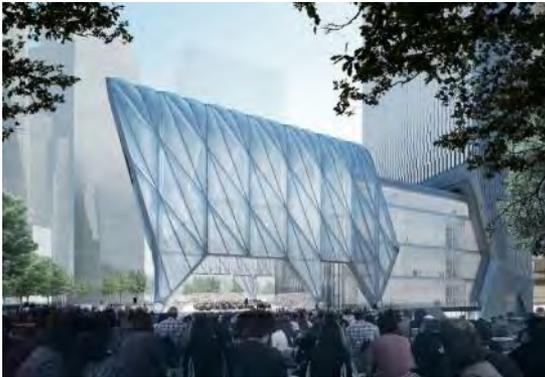


# Trends and Examples



# Culture Shed

## New York, NY



- A non-profit organization that will host performing and visual arts, concerts, festivals, film and literary events, culinary and fashion events with an emphasis on cultural innovation
- Culture Shed aims to present and produce cross-discipline and collaborative works by NYC artists and global, cultural partners
- Combining large, flexible spaces in 200,000 square feet, the outer structure can be extended to host outdoor concerts while maintaining indoor seating
- Construction completion is expected in 2019 with a \$360M budget (\$75M from the city)

# Culture Shed

SHOPPING, DINING AND ENTERTAINMENT  
CROSS SECTION



# Culture Shed



# Culture Shed



# Culture Shed



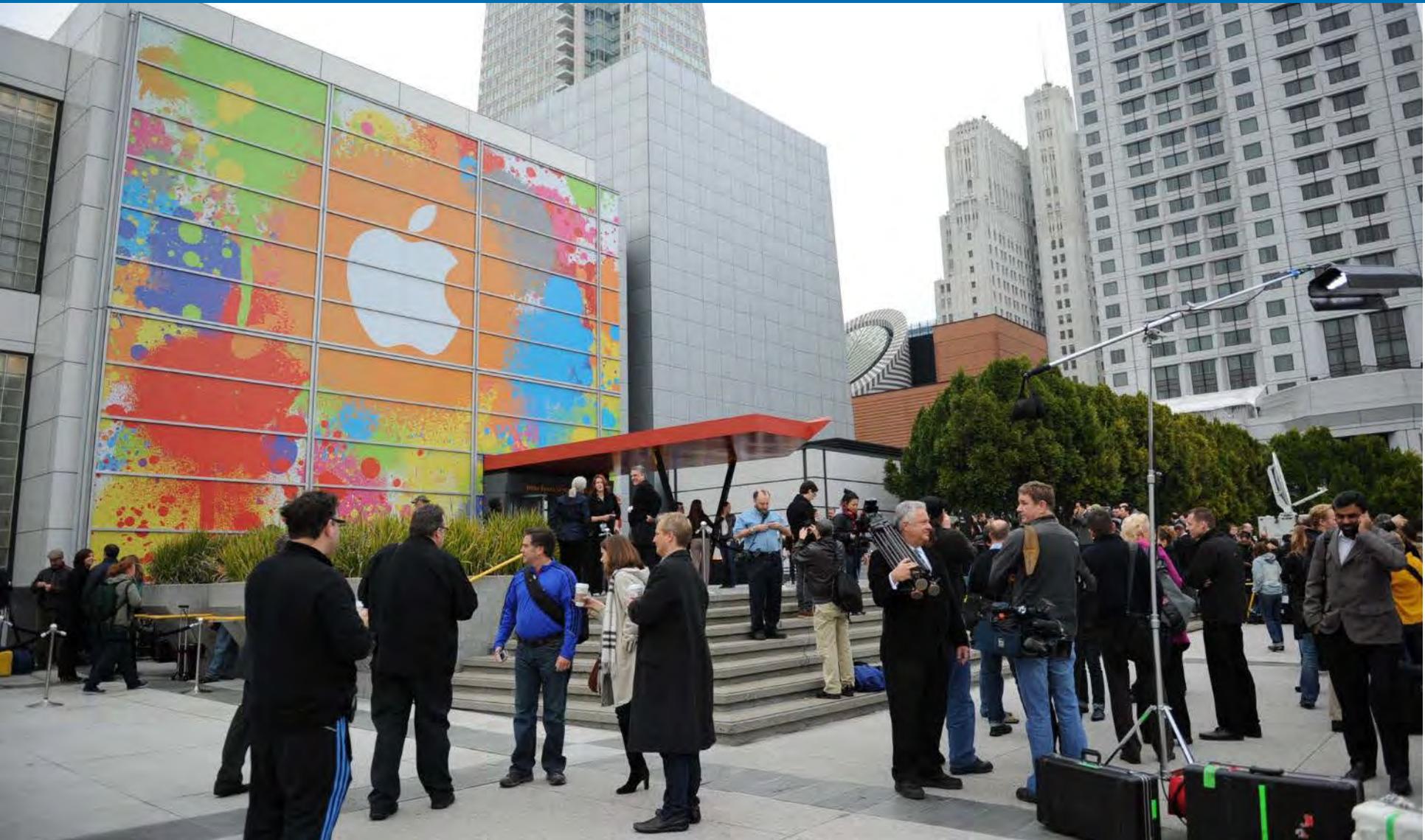
# Yerba Buena Center for the Arts



## San Francisco, CA

- Dedicated to engaging the community in contemporary art, YBCA presents contemporary visual art, performance and film; YBCA also hosts corporate events with major tech firms and partners with community or professional organizations
- Since 1993, YBCA has commissioned and premiered over 200 events, established a youth job training programming and multi-disciplinary festival
- Security, operations and facilities maintenance are supported by San Francisco Redevelopment Agency; YBCA must use generate funding for its arts and educational programs

# Yerba Buena Center for the Arts



# Yerba Buena Center for the Arts



# Yerba Buena Center for the Arts



# Yerba Buena Center for the Arts



# Yerba Buena Center for the Arts



# Yerba Buena Center for the Arts



# Yerba Buena Center for the Arts



# I04 Paris



## Paris, France

- Formerly a funeral home, the 420,000 square foot space houses special events including festivals, workshops, sports activities and a free, monthly dance
- A community space of “living arts,” I04 Paris hosts theatre, dance, music, film, culinary arts, street and contemporary art mostly created by artists in residence and maintained through city funding (67%)
- I04 Paris initially struggled to attract audiences; the current director helped redefine its purpose and it has since earned a reputation as a cultural, tourist destination

# 104 Paris



# 104 Paris



# I04 Paris



# I04 Paris



# 104 Paris



# Chapter Arts Centre

## Cardiff, Wales



- Producing and presenting art, performance and film in a 13,750 square foot, multi-purpose cultural center, Chapter has a full café, spaces for 30 resident companies and a community garden
- The Centre offers robust educational programming serving all ages and hosts over 100 monthly classes; Chapter also rents its two film spaces, theatre, and conference room, and provides onsite catering options
- Chapter maintains 60 full-time staff and receives nearly 30 percent of its income from the State

# Chapter Arts Centre



# Chapter Arts Centre



# Chapter Arts Centre



# Chapter Arts Centre



# Chapter Arts Centre



# Chapter Arts Centre



# Chapter Arts Centre



# The Tannery Arts Center

## Santa Cruz, CA



- Developed through a partnership with Artspace Projects, Inc. and the City of Santa Cruz, The Tannery Arts Center includes 35,000 square feet of artist lofts, a digital media and creative arts center, and gallery space for community artists and organizations
- Full transformation of the Salz Tannery will complete with the construction of a 200-seat, multi-space Performing Arts Center
- The Tannery offers artist studio tours, educational classes, special exhibitions and performances

# The Tannery Arts Center



# The Tannery Arts Center



# The Tannery Arts Center



# The Tannery Arts Center



# The Tannery Arts Center



# The Tannery Arts Center



# Barnsworth Exhibition Center

## Plano, IL



- The small, flexible exhibition space was designed and funded by students at the Illinois Institute of Technology to host lectures and special exhibitions
- The space was built to showcase the wardrobe at its center (a piece that is 12' x 6' x 2') after a flood damaged the Farnsworth House
- It features natural light and a rounded, windowless design with features complimentary of the local farms

# Barnsworth Exhibition Center



# Barnsworth Exhibition Center



# Barnsworth Exhibition Center



# ArtBuilt Mobile Studios

## Brooklyn, NY (*mobile*)



- Multi-purpose, small, mobile workspaces for artists, social service providers and micro-businesses
- The prototype recently hosted a four-week, artist-residency program outside the Queens Museum through a partnership with the NYC Department of Parks & Recreation
- The studio was made out of salvaged and donated materials with the intention of reducing the studio rental costs for artists

# ArtBuilt Mobile Studios



# ArtBuilt Mobile Studios



# Scenarios

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# Scenarios



Build large Redmond Arts, Culture, and Technology (STEAM?) Center (in Overlake?), in partnership with business.



Build/repurpose mid-sized Cultural Center downtown to host range of performances, classes, events, banquets, film, exhibits, civic, etc.



Co-locate all City arts programming with athletic/recreational spaces in new Rec Center.

# Scenarios



Develop subsidized artist live-work space in partnership with organization like Artspace – Southeast Redmond?



Create small (and/or mobile?) structures in city outdoor spaces to support events, host programs, artist workspace, etc.



Make infrastructure improvements to outdoor event venues (power, water, staging space) and invest in expanded outdoor arts programming.

# Prioritization

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Industries

# Gap Analysis Results

Improve 'vertical integration' of City arts programs

Consider including selected rec program space in 'cultural home'

Consider film, contemporary music, informal activity

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Consider scenarios for arts destination downtown

ID ways to strengthen Redmond's arts 'brand'

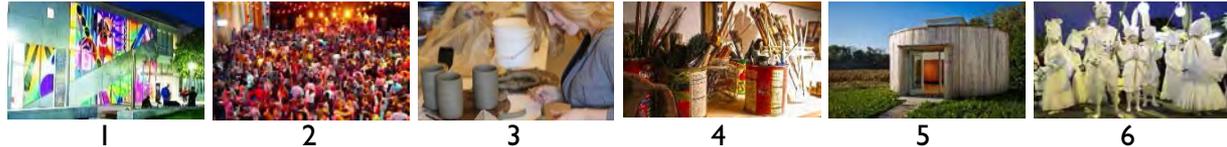
ID ways to attract/ strengthen cultural providers

Consider space availability for nonprofit cultural providers

Continued investment in outdoor events warranted

Consider power, water, support space for most-used outdoor venues

# Prioritization – Gap Results



	1	2	3	4	5	6
	Iconic Arts Center	Multipurpose Cultural Center	Co-locate with Athletic Ctr	Artist Live/Work	Small/Mobile Structures	Park Infrastructure
Improve 'vertical integration' of City arts programs						
Include rec space in cultural home						
Attract/strengthen cultural providers						
Provide space for nonprofit arts orgs						
Invest in outdoor events						
Power, water, support space for park venues						
Host film, contemporary music, informal activity Non-traditional multipurpose performance space						
Strengthen Redmond's arts brand						
Create arts destination downtown						

# Prioritization – Gap Results



	1	2	3	4	5	6
	Iconic Arts Center	Multipurpose Cultural Center	Co-locate with Athletic Ctr	Artist Live/Work	Small/Mobile Structures	Park Infrastructure
Improve 'vertical integration' of City arts programs		●			●	
Include rec space in cultural home		●				
Attract/strengthen cultural providers		●		●	●	
Provide space for nonprofit arts orgs	●	●	●	●	●	
Invest in outdoor events					●	●
Power, water, support space for park venues					●	●
Host film, contemporary music, informal activity		●	●	●		
Non-traditional multipurpose performance space		●	●			
Strengthen Redmond's arts brand	●	●		●	●	
Create arts destination downtown		●		●	●	

# Civic Priorities

## **Attract & Retain**

- High-quality Programming
- Inclusive / Global Cultures
- Nightlife, Weekends

## **Quality of Life**

- Participatory Activities
- Range of Creative Opportunities
- Inclusion

## **Downtown Vibrancy**

- Round-the-Clock Activity
- Focus on Downtown
- Draw Dining and Retail

## **Identity**

- Authenticity & Uniqueness
- Attract Artists
- Grow Redmond's 'soul'

# Prioritization – Civic Priorities



		1	2	3	4	5	6
		Iconic Arts Center	Multipurpose Cultural Center	Co-locate with Athletic Ctr	Artist Live/Work	Small/Mobile Structures	Park Infrastructure
Attract & Retain	High-quality Programming	●	●		●	●	●
	Inclusive / Global Cultures	●	●			●	●
	Nightlife, Weekends	●	●				
Quality of Life	Participatory Activities		●	●	●		●
	Range of Creative Opportunities	●	●		●	●	●
	Connectivity / Affiliation (inclusion)	●	●	●			●
Downtown Vitality	Round-the-Clock Activity		●	●			
	Focus on Downtown Core	●	●	●	●	●	●
	Draw Dining and Retail	●	●		●		
Identity	Authenticity & Uniqueness		●		●	●	
	Attract Artists & Arts Orgs	●	●	●	●	●	
	Grow Redmond's creative 'soul'	●	●		●	●	

# Prioritization – Overall



1

2

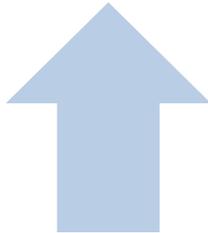
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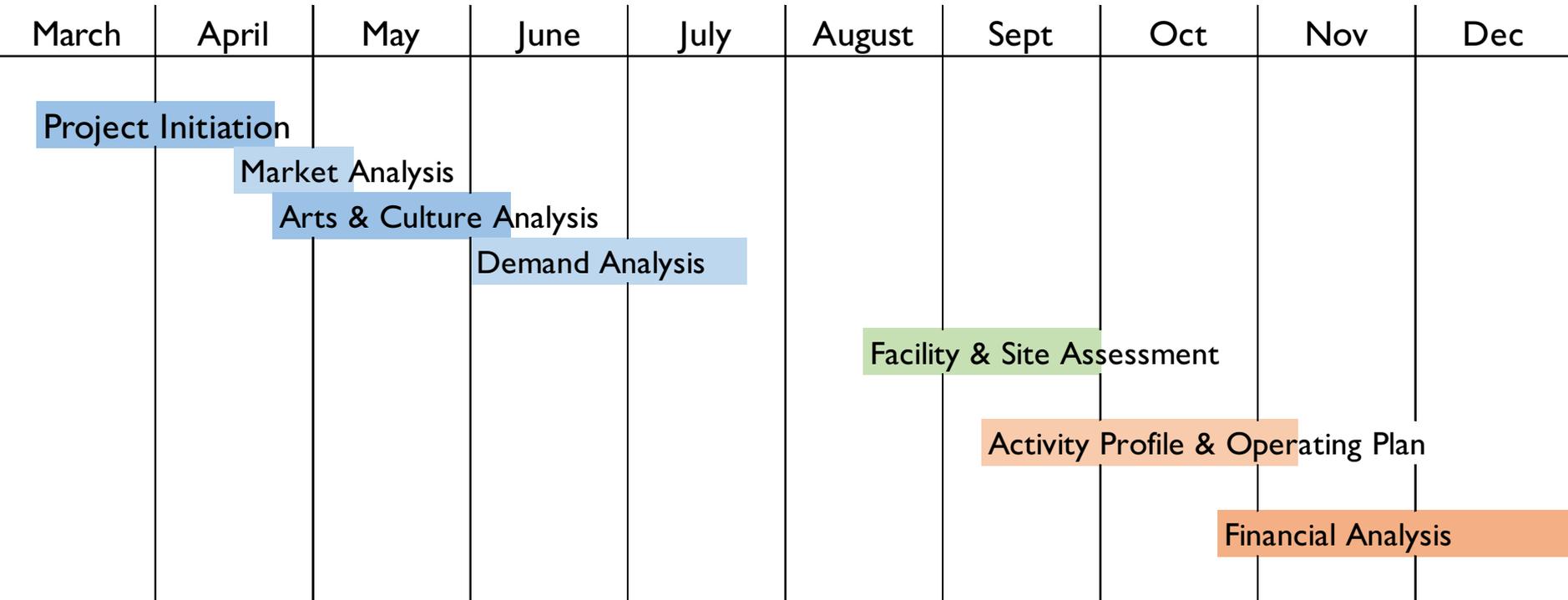
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6

Iconic Arts Center	Multipurpose Cultural Center	Co-locate with Athletic Ctr	Artist Live/Work	Small/Mobile Structures	Park Infrastructure
● ● ● ● ●	● ●	● ●	● ● ● ● ● ● ● ●	● ● ● ● ● ● ● ●	● ● ● ● ● ●
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# Next Steps



**Thank you!**

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Entertainment  
Industries

# **Appendix C**

## **Phase 2 City Council Update Slides**

**27 October 2015**

# Redmond Cultural Facilities Feasibility Study

Phase 2 Update

Redmond City Council Study Session

27 October 2015



for the Arts and  
Entertainment  
Industries



# Study Overview

1

- What **demand** exists for arts and cultural space in and around Redmond, given existing and planned cultural infrastructure?
- If demand exists for new cultural facilities, **what type of spaces or structures** might best accommodate this demand?

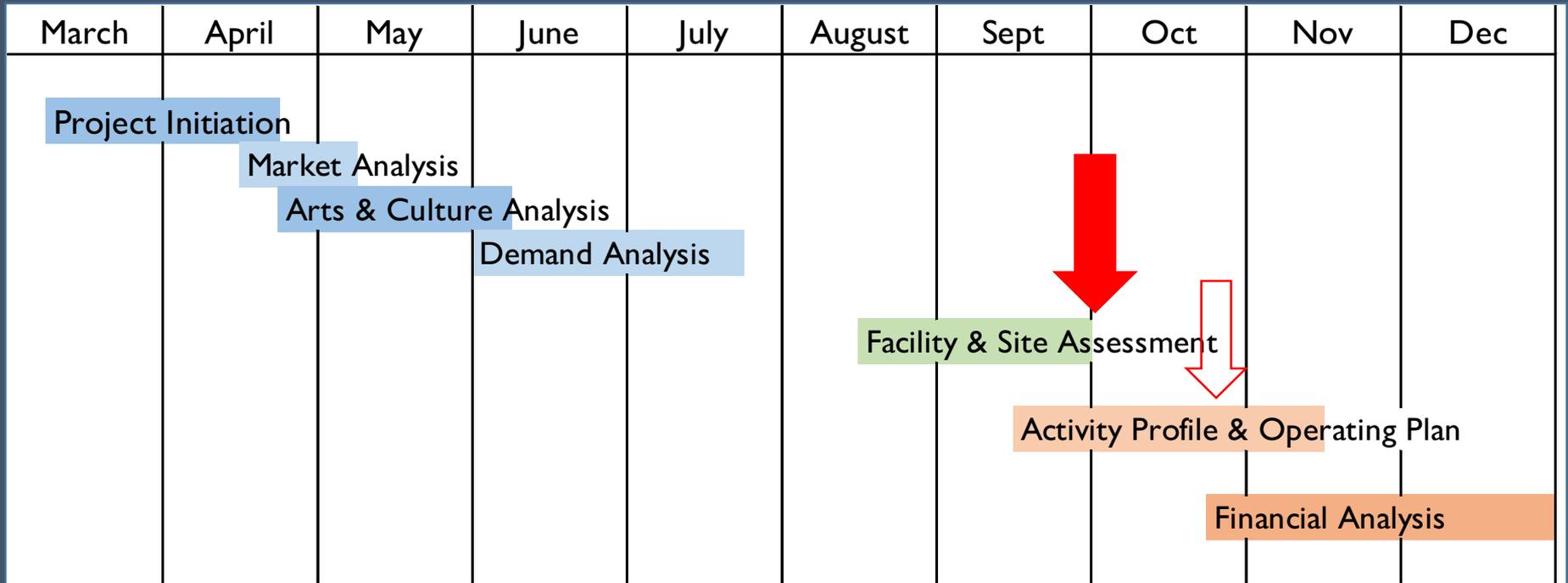
2

- **Where** could such a facility/facilities be located?  
**How much** might it/they cost to build?

3

- What would be an appropriate **business and financial plan** for a new facility(ies)?

# Study Overview



# Topics

- \* Venue Configuration
- \* Building Program
- \* Site Evaluation Framework
- \* Capital Cost Estimates
  - (Phase 3)*
- \* Case Studies

# Civic Priorities

## Attract & Retain

- High-quality Programming
- Inclusive / Global Cultures
- Nightlife, Weekends

## Quality of Life

- Participatory Activities
- Range of Creative Opportunities
- Inclusion

## Downtown Vibrancy

- Round-the-Clock Activity
- Focus on Downtown
- Draw Dining and Retail

## Identity

- Authenticity & Uniqueness
- Attract Artists
- Grow Redmond's 'soul'

# Gap Analysis Results

Improve 'vertical integration' of City arts programs

Consider including selected rec program space in 'cultural home'

Consider film, contemporary music, informal activity

Consider opportunities for non-traditional, multipurpose performance venues

Consider scenarios for arts destination downtown

ID ways to strengthen Redmond's arts 'brand'

ID ways to attract/ strengthen cultural providers

Consider space availability for nonprofit cultural providers

Continued investment in outdoor events warranted

Consider power, water, support space for most-used outdoor venues

# Gap Analysis Results

Blend professional  
and community  
activity

Create an arts and  
culture destination in  
Redmond

Create opportunity  
for an informal arts  
and culture 'scene'

Provide opportunities  
for local cultural  
groups / individuals

Support city-wide  
outdoor events

# Phase I

## Recommendation:



Build/repurpose state of the art mid-sized Cultural Center downtown to host range of performances, classes, events, banquets, film, exhibits, civic, etc.

# Phase I

## Activity Would Include:

- \* Professional performing arts – presented
- \* Local performing arts groups – rentals (incl. catering)
- \* Visual art exhibitions – professional & local/community
- \* 'Capstone' events from recreational arts programs
- \* Other arts/culture activity: civic programs, film, comedy, community events

# Building Program

Potential Activity



Space Required

(building program)

# Venue Configuration

## Where does activity occur?

\* Flexible Performance Space

\* Flexible Exhibition Space

\* Flexible Education/Arts Space(s)

All spaces must serve **multiple purposes** to make the center efficient, vital, and as active as possible.

# Seating Capacity Range

## \* Demand for 200-500 seat space

Local arts groups reported need for a space in the 200-500 seat range. Market interest in arts activities supports a venue of this size.

## \* Seating capacity can vary in a flexible venue

A flexible-seating performance hall can accommodate a variety of capacities depending on the configuration. Informal events could accommodate many more than those with formal seating.

## \* Project parameters drive exact capacity

Precise venue capacity will be driven by capital budget targets, site constraints, and user needs at the time of project implementation.

# Development Considerations

- \* **Building Program**

- \* **Site**

- \* **Development Opportunities**

- \* **Range of Magnitude Budget**

# Building Program

Flexible Performance Space	6,000		6,000 NSF
Flexible Exhibition Space	2,100		2,100 NSF
Flexible Education / Arts Space	2,200		2,200 NSF
Building Support Space	7,500		7,500 NSF
<hr/>			
Gross Area Range	7,200	–	9,700 SF
<hr/>			
<b>TOTAL GROSS AREA RANGE</b>	<b>25,000</b>	<b>–</b>	<b>27,500 GSF</b>

**TOTAL GROSS AREA TARGET**

**26,250 GSF**

# Site Areas

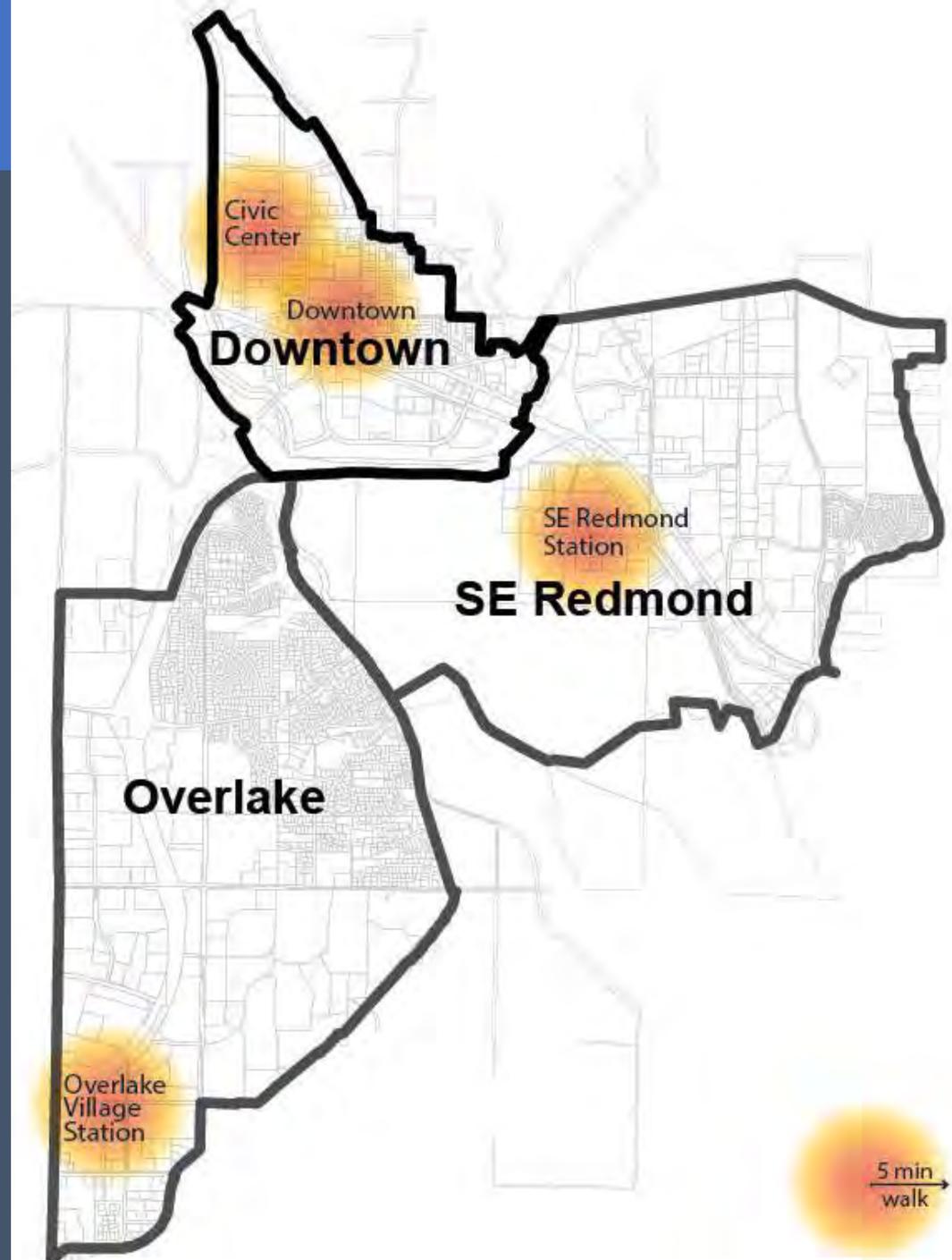
For each area:

**Greenfield site**

**Adaptive Reuse**

or

**Mixed Use**



# Site Selection Criteria

- \* Cultural Identity for Redmond
- \* Retail, Dining & Civic Amenities Adjacency
- \* Pedestrian Oriented / Accessible Location
- \* Light Rail Transit Proximity
- \* Development/Investment Catalyst
- \* Proposed Building & Site Development Fit

# Site Selection Criteria

	Downtown			Civic Center			SE Redmond Eastlink Station	Overlake Village Eastlink Station		
Specific Sites	Greenfield	Adaptive Reuse	Storefront in Mixed Use	Greenfield	Adaptive Reuse	Storefront in Mixed Use	Greenfield	Storefront in Mixed Use	Greenfield	Storefront in Mixed Use
	<i>RCC/East Link Station</i>	<i>Teen Center</i>		<i>New Rec Center</i>	<i>Senior Center, Fire Station 11</i>					
<b>CIVIC PRIORITIES</b>										
Cultural Identity for Redmond	Best Potential	Best Potential	Least Potential	Best Potential	Best Potential	Least Potential	Best Potential	Least Potential	Best Potential	Least Potential
Retail, Dining & Civic Amenities Adjacency	Best Potential	Best Potential	Best Potential	Good Potential	Good Potential	Good Potential	Good Potential	Good Potential	Good Potential	Good Potential
Pedestrian Oriented / Accessible Location	Best Potential	Best Potential	Best Potential	Good Potential	Good Potential	Good Potential	Least Potential	Least Potential	Least Potential	Least Potential
Light Rail Transit Proximity	Best Potential	Best Potential	Best Potential	Good Potential	Good Potential	Good Potential	Best Potential	Best Potential	Best Potential	Best Potential
Development/Investment Catalyst	Best Potential	Good Potential	Good Potential	Best Potential	Good Potential	Good Potential	Good Potential	Good Potential	Good Potential	Good Potential
<b>PHYSICAL DEVELOPMENT</b>										
Proposed Building and Site Development Fit	Best Potential	Good Potential	Least Potential	Best Potential	Good Potential	Least Potential	Best Potential	Least Potential	Best Potential	Least Potential

Legend	
Best Potential	
Good Potential	
Least Potential	

# Opportunities

## \* Project Typology

Greenfield

Adaptive Reuse

Storefront / Mixed Use

## \* Community Connection & Street

## \* Flexible, Multi-Use Spaces

Performance

Exhibition

Education / Arts



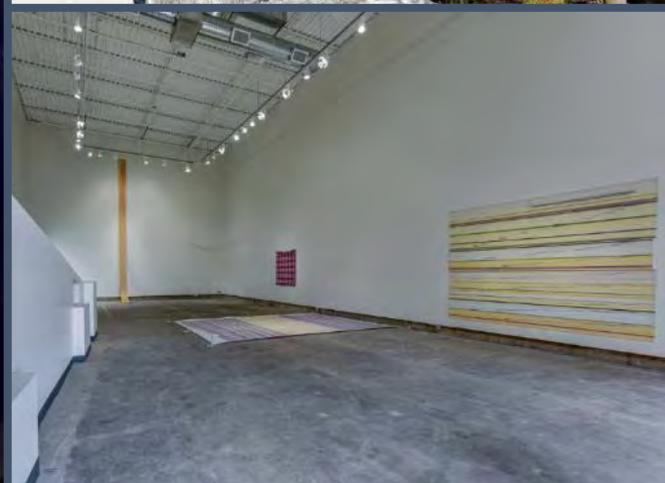
# Vashon Performing Arts Center VASHON, WA





# 3S Art Space PORTSMOUTH, NH





# Lee Center for the Arts SEATTLE, WA









# Torpedo Factory Art Center ALEXANDRIA, VA





# Ed Erickson Theatre SEATTLE, WA





# Mt. Baker Theatre

BELLINGHAM, WA







# ROM Budget Approach

$$\begin{aligned} &\text{Construction Cost} \\ &+ \\ &\text{Soft Costs} \\ &= \\ &\text{Project Cost} \end{aligned}$$

# Construction Cost

**“Bricks & Mortar”**

**Site Improvements**

**Parking**

**Fixed Equipment**

Theatrical

Audio Visual

Food Service

**Building Systems**

Mechanical

Electrical

Plumbing

Fire Protection

Structure

Interior & Exterior Finishes

# Soft Costs

Sales Tax

Owner's Project Management

Capital Campaign

Design Team and Specialty Consultants

Site Survey

Geotechnical Report

Building Permits

Testing / Inspections

Public Art

Furniture, Fixtures & Equipment (FF&E)

Owner's Contingency

Owner's Project Related Insurance

Legal Fees

# ROM Redmond Cultural Facility Budget

New Building Construction Cost

+

Soft Costs

=

Construction/Soft Cost Budget

+

Escalation

+

Site Acquisition

=

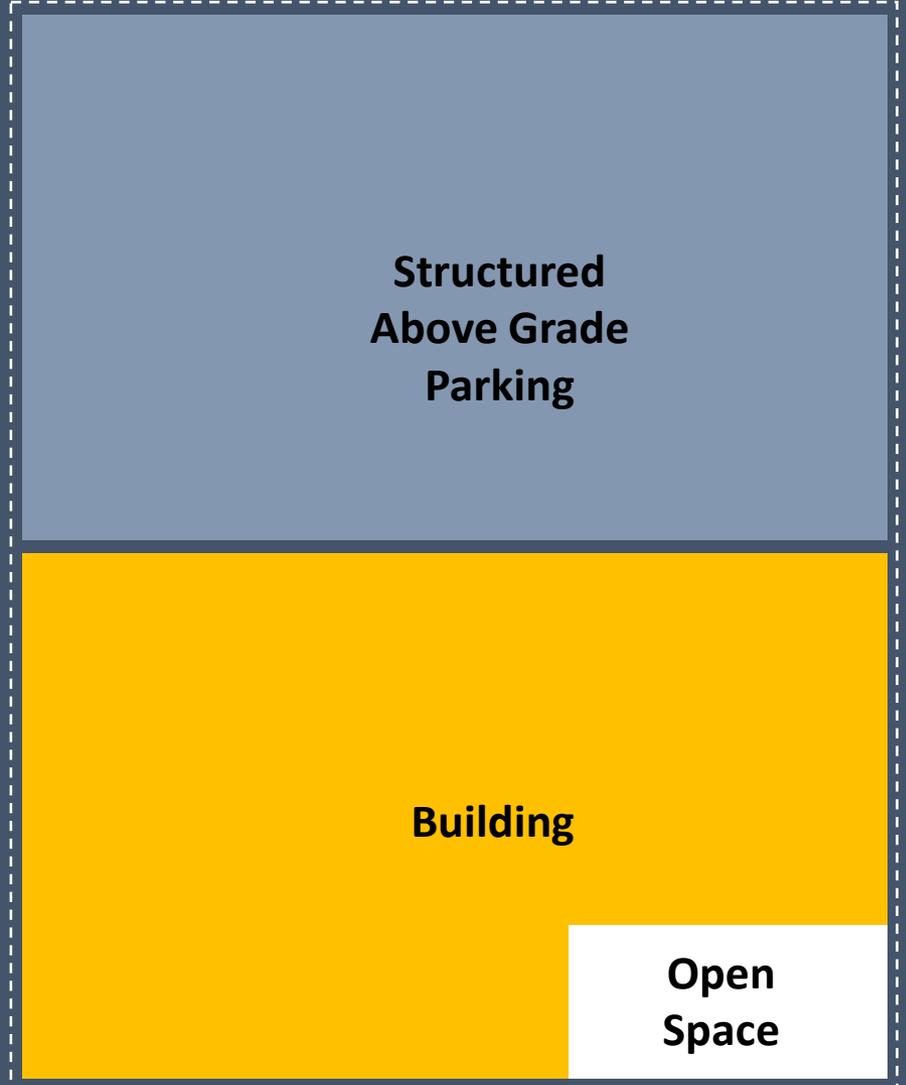
Project Cost

# Construction Cost Assumptions

New Building

Urban Site

Structured Above Grade  
Parking



# Construction Cost Budget

New Building Cost Range	500 \$/GSF	525 \$/GSF X 26,250 GSF	550 \$/GSF
		<hr/> <b>\$13,800,000</b>	
Site Improvements Cost Range 45,000 SF SITE	\$1,250,000	\$1,375,000	\$1,500,000
Structured Parking Cost Range 120 STALLS	\$4,200,000	\$4,350,000	\$4,500,000
<b>TOTAL Construction Cost</b>		<b>\$19,525,000</b>	

# Construction + Soft Cost Budget

New Bldg. Const. Cost	\$19,525,000		\$19,525,000
-----------------------	--------------	--	--------------

Soft Cost Range .50 - .66 x Construction Cost	\$9,762,500	–	\$12,886,500
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<b>TOTAL BUDGET RANGE</b>	<b>\$29,287,500</b>	<b>–</b>	<b>\$32,411,500</b>
---------------------------	---------------------	----------	---------------------

Escalation

Site Acquisition

---

**Project Cost**

# Case Studies

## Lawrence Arts Center

Lawrence, KS (Kansas City)



## Firehouse Arts Center

Newburyport, MA (Boston)



## Coconino Arts Center

Flagstaff, AZ



# Learning from Others

- \* Venues serve as **'home' for arts/culture** and support city-wide events
- \* **"Vertical integration": Professional programming** in both performing and visual arts; **Local renters and education programs** make up **community-based programming**
- \* Arts centers are **sought-after event venues**
- \* Venues rely on **significant contributed income streams.**

# A home for arts & culture . . .



# A home for arts & culture . . .

## PARTY LIKE IT'S 1975

free and open to the public

5 TO 9PM  
FINAL FRIDAY  
SEPTEMBER

40<sup>th</sup> ANNIVERSARY  
lawrence  
artscenter

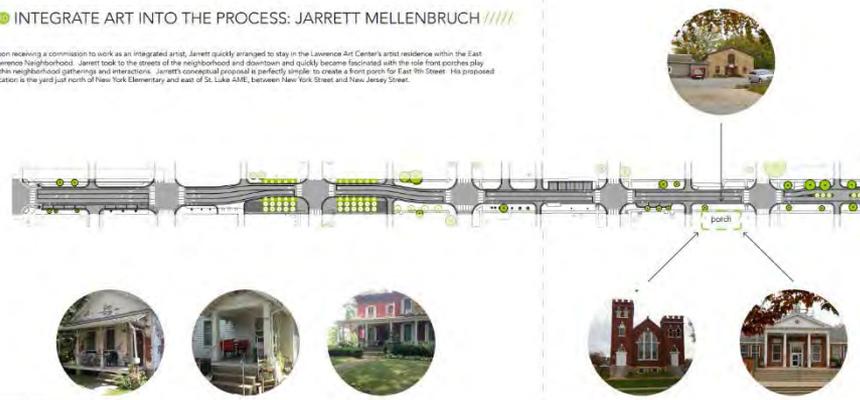


25 STREET PARTY!

celebrate your community arts center's 40th anniversary!

### INTEGRATE ART INTO THE PROCESS: JARRETT MELLEBRUCH

Upon receiving a commission to work as an integrated artist, Jarrett quickly arranged to stay in the Lawrence Art Center's artist residence within the East Lawrence Neighborhood. Jarrett took to the streets of the neighborhood and downtown and quickly became fascinated with the role front porches play within neighborhood gatherings and interactions. Jarrett's conceptual proposal is perfectly amide to create a front porch for East 9th Street. His proposed location is the yard just north of New York Elementary and east of St. Luke AME, between New York Street and New Jersey Street.



# Co-locating professional and community programs



## On the Funny Side of the Street

with Christine Lavin & Don White

One Show Only  
Friday  
September 25, 2015

8:00pm

[Info & Tickets >](#)

## SEPTEMBER, 2015

*SORT OPTIONS*



## Birds on the Wire

One Show Only  
Saturday  
September 26, 2015

8:00pm

[Info & Tickets >](#)



# Co-locating professional and community programs



**Into the Woods**  
Presented by Acting Out Productions

Multiple Shows  
Friday  
October 2, 2015

7:00pm

[Info & Tickets >](#)



**The 5th Annual Port Bury Follies**  
Presented by ROOF Over Head  
*A Variety Show  
By the community and for the community*

One Show Only  
Friday  
October 9, 2015

6:00pm

[Info & Tickets >](#)

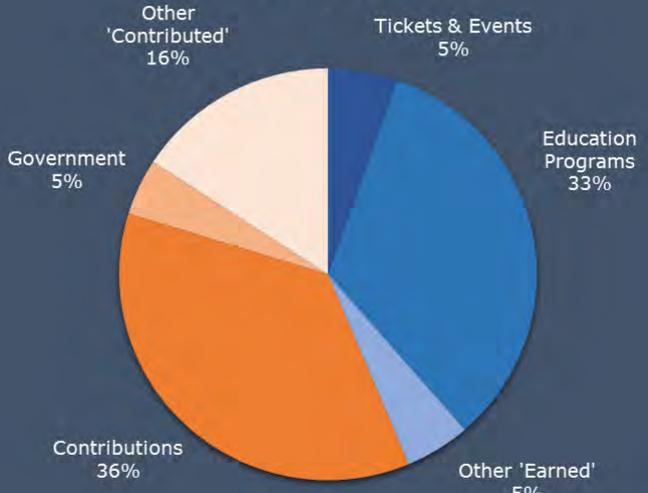


# Sought-after event venues

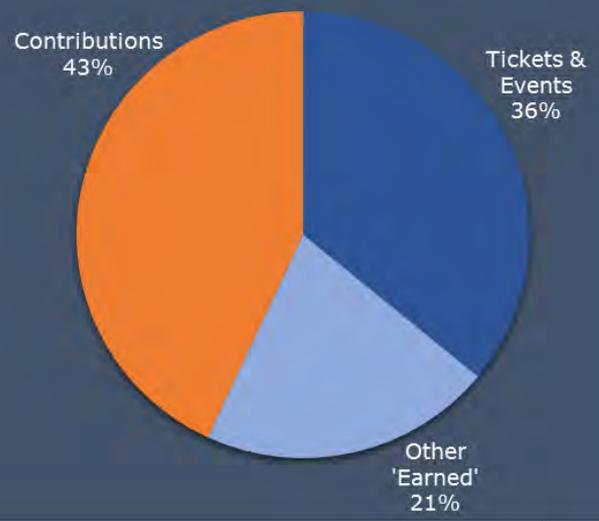


# Significant contributed income support

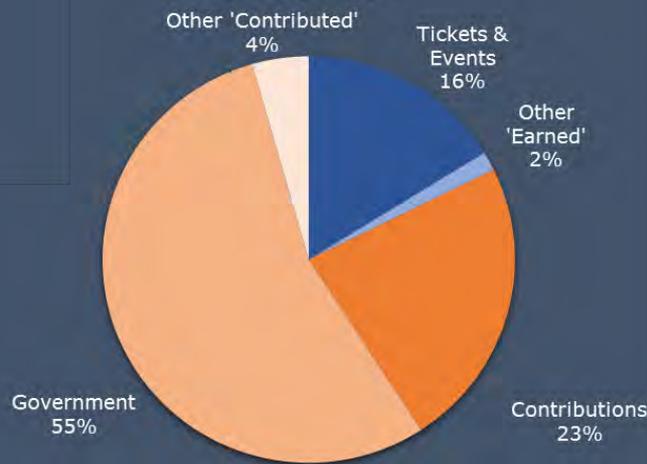
### Lawrence



### Newburyport



### Flagstaff



contributed income

earned income

# Next Steps

- |                      |   |
|----------------------|---|
| Nov 9                | <b>Project Team Worksessions</b><br><i>Operating Plan Workshop</i><br><i>Stakeholder Update (evening)</i> |
| Nov 12 <sup>th</sup> | <b>Arts Commission</b><br><i>Operating Plan Update</i>  |
| Dec 10 <sup>th</sup> | <b>Arts Commission</b><br><i>Phase 3 Presentation</i>   |
| Jan 12 <sup>th</sup> | <b>Council Study Session</b><br><i>Phase 3 Update &amp; Final Presentation</i>                            |
| February             | <b>Council Vote</b> (date TBD)  |

**Thank you!**

**AMS**

PLANNING & RESEARCH

for the Arts and  
Entertainment  
Industries

**LMM**

# **Appendix D**

## **LMN Architects Facility & Site Report**

# CITY OF REDMOND CULTURAL FACILITIES FEASIBILITY STUDY

## Introduction

In 2015, The City of Redmond embarked on a study for the feasibility of developing cultural facilities in Redmond. Dedicated cultural facilities remain a top priority in the community and are seen as necessary to achieve the community's vision of a complete city by the year 2030. The Cultural Facilities Feasibility Study has been conducted in three phases with the intent to provide clear direction for new investments in cultural facilities.

In collaboration with AMS Planning & Research, LMN Architects has been an active team participant during Phase Two: Facility and Site Recommendations. This phase of work has been focused on a comprehensive and informed analysis of a facility program and site assessment and will serve as valuable information for the City of Redmond as opportunities for investments in Redmond's cultural facilities are considered.

Given the Phase One recommendation of developing a multi-purpose cultural center to accommodate a range of arts, culture, and community activity, LMN has been specifically focused on analysis of the physical development considerations that answer the questions:

- **Where** could such a cultural facility be located?
- **How much** might this cultural facility cost to build?

This analysis has resulted in recommendations for a preliminary venue configuration; a functional building program and a range of total required building area; a site evaluation framework for multiple site areas and site typologies; and a range of magnitude budget estimate for the proposed cultural facility.



# Building Program

The purpose of cultural facility programming is transforming the project vision and goals into a framework for physical development. The building program defines all of the built spaces required to support anticipated activities and becomes the baseline from which construction costs are developed. Every program begins first with identification of the primary event and function spaces. For the City of Redmond, the primary program components for the cultural facility were developed from the Phase One recommendations and include:

- A **flexible performance space** with the capability of both flat-floor and theatre-style seating configurations, excellent acoustics, and state of the art performance technology,
- A **flexible exhibition space** for arts/culture exhibits and other events which would double as a lobby space during performances, including a provision for a café/catering kitchen to serve both venues, and,
- Several **flexible education/arts spaces** to support smaller scale arts and cultural activity ranging from classes to artist workspace, which would be refined during project development.

Complementing these primary program components are a series of secondary program components, **building support spaces**, which are equally important in accommodating the wide variety of activities anticipated for the City of Redmond cultural facility. The appropriate number and types of support spaces are key to the function and ease of operation of the facility. Support spaces that enhance the flexible exhibition space include a café, catering support area, restrooms and front-of-house storage areas. Spaces that serve the flexible performance space include dressing rooms, technical production rooms and back-of-house storage; while administrative offices serve the entire facility.

The seating capacity of the flexible performance space is targeted at between 300 and 500 seats for the purposes of this study. The building program assumes that a capacity of 300 people could be accommodated in theatre seating or in a banquet configuration. A capacity of 500 people could be accommodated in a flat floor configuration.

The design intent of flexible seating in the room would result in the largest capacity for flat floor standing events, a mid-range capacity for theatre seating and a lower capacity for seated dinner events. Further refinement of the facility's capacity will develop throughout the design of the project in response to many factors that include staging configurations, staging extents, food and beverage servicing areas and circulation.

The final component of the building program is the **gross area allowance**. During a feasibility study, the building program is just beginning to take shape and is subject to further refinement as the site and building activity continues to be defined. Additionally, in an adaptive reuse or mixed use site, the building program would adjust relative to available space and other possible constraints. The gross area allowance is a factor applied to the net areas of the functional spaces that provides area for non-functional spaces including circulation, building systems, shafts, wall thickness and structure and is critical to developing the total gross area of the building. The total gross area for the building program is presented as a range below.

<b>Flexible Performance Space</b>	6,000 NSF
<b>Flexible Exhibition Space</b>	2,100 NSF
Lobby/Gallery Café	
<b>Flexible Education / Arts Space</b>	2,200 NSF
Two Medium Classrooms / Studios One Small Classroom / Studio	
<b>Building Support Spaces</b>	7,500 NSF
Catering Support Space Restrooms Technical Production Rooms Dressing Rooms Green Room	Director's Office Open Office Area Meeting Room Storage Rooms Mechanical / Electrical Rooms
<b>Gross Area Allowance Range</b>	7,200 – 9,700 NSF
<b>TOTAL GROSS AREA RANGE</b>	<b>25,000 – 27,500 gsf</b>
<b>Median Building Program Area</b>	<b>26,250 gsf</b>

# Site

Along with the building program, the project site is an important physical development consideration. Given the evolving landscape of factors that directly affect site selection, this study does not propose selection of a specific site for the cultural facility in favor of a site evaluation framework. The site evaluation framework was developed to guide future decisions about sites as they become available for consideration by the City.

The framework includes criteria that can be used to evaluate an identified site's physical attributes relative to the results of the Phase One gap analysis as well as the City of Redmond's civic priorities identified in Phase One of the study:

- Attract and Retain Talent
- Quality of Life
- Downtown Vibrancy
- Cultural Identity

## Site Typologies

To provide future flexibility for site evaluation, the framework includes three different physical development scenarios or site typologies:

- **Greenfield** development, where a new stand-alone building is constructed on a "clean" site.
- **Adaptive Reuse** development, where an existing building is used, in whole or in part, as a basis for a new facility. Existing buildings can provide opportunities and obstacles to effective development for performing arts use and must be evaluated carefully on a case by case basis.
- **Storefront/Mixed Use** development, where cultural space is inserted into an existing building (ideally with street frontage) or where cultural space is included in a new building shared with other uses.



**Adaptive Reuse**  
3S Artspace PORTSMOUTH, NH



**Adaptive Reuse**  
Torpedo Factory Arts Center ALEXANDRIA, VA

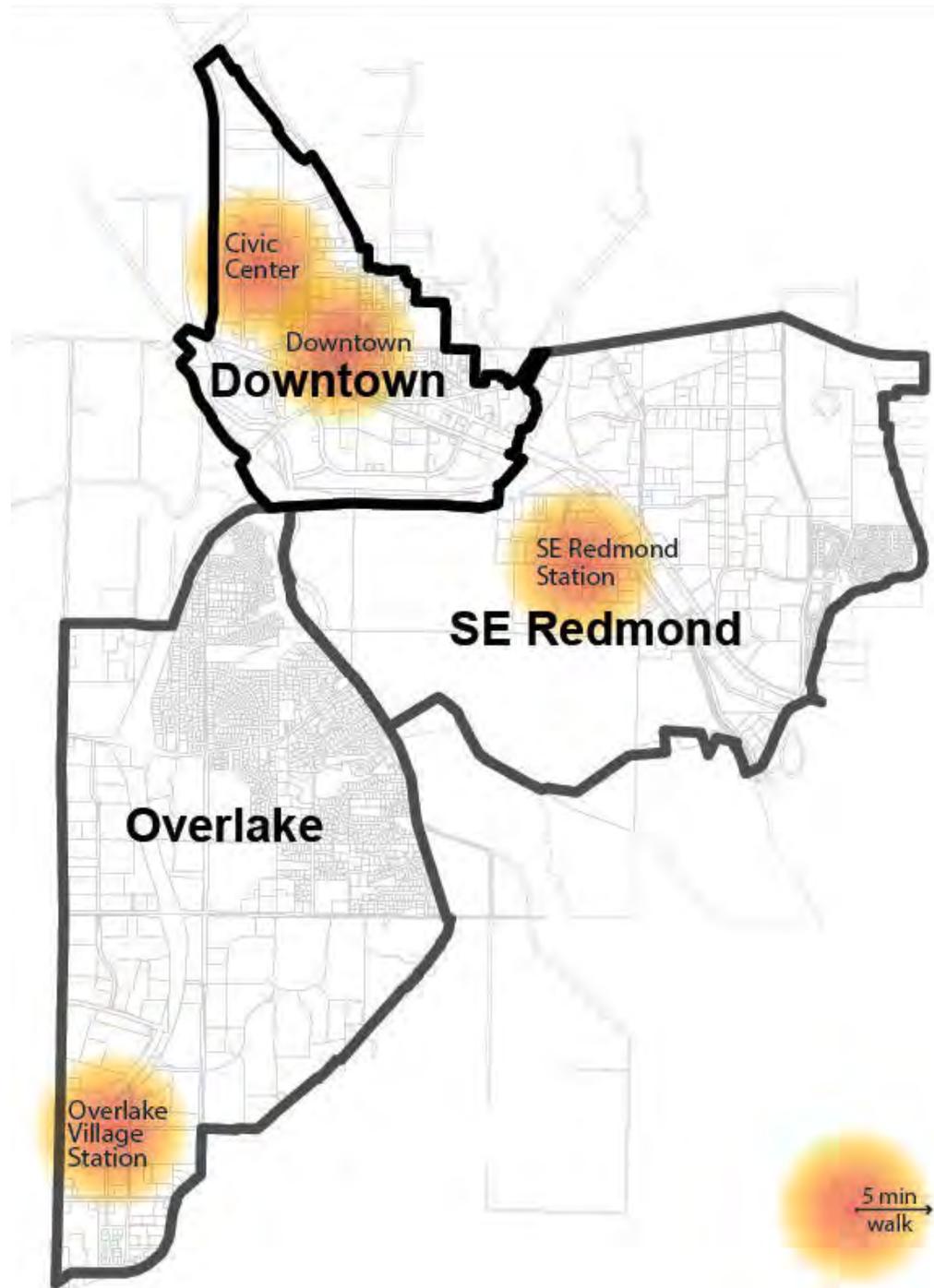


**Storefront/Mixed Use**  
Dinah Washington Cultural Arts Center TUSCALOOSA, AL

## Site Areas

The site evaluation framework encompasses sites across Redmond including Downtown, SE Redmond and Overlake. Focused site areas defined by a 5 minute walk radius in four areas with current or planned density, civic infrastructure and future light rail transit emerged as the primary locations representing the best potential to support a cultural facility. The four specific site areas included in the site evaluation framework are illustrated in the adjacent diagram:

- **Downtown**
- **Civic Center**
- **SE Redmond Eastlink Station**
- **Overlake Village Eastlink Station**



## Site Evaluation Matrix

The site evaluation matrix combines the site typologies and site areas with criteria that evaluates how well the site opportunities address the following priorities and physical characteristics:

- **Cultural Identity**, or how well a cultural facility located on this site would contribute to Redmond’s identity,
- **Retail, Dining and Civic Amenities Adjacency**, or how can a cultural facility on this site synergistically engage other business activity and civic offerings,
- **Pedestrian Oriented/Accessible Location**, or how can a cultural facility on this site encourage the greatest amount of informal participation and “drop in” activity,
- **Light Rail Transit Proximity**, or how can a cultural facility on this site support alternative modes of travel,

- **Development/Investment Catalyst**, or how can a cultural facility on this site enhance development and density,
- **Proposed Building and Site Development Fit**, or what is the level of development complexity at a given site or in a given scenario.

This study does not recommend a specific site to be developed; but rather, a site evaluation framework illustrated in the matrix below. The matrix includes the four site areas and accompanying site typologies and provides an example of how the sites and typologies might be valued relative to the identified criteria. This preliminary assessment favors sites in areas with existing density, an existing pedestrian oriented environment and access to future transit and site typologies that, in the abstract, offer the greatest flexibility in accommodating the building program as fully conceived.

	SITE AREAS									
	Downtown			Civic Center			SE Redmond Eastlink Station		Overlake Village Eastlink Station	
	SITE TYPOLOGIES									
	GREENFIELD	ADAPTIVE REUSE	STOREFRONT IN MIXED USE	GREENFIELD	ADAPTIVE REUSE	STOREFRONT IN MIXED USE	GREENFIELD	STOREFRONT IN MIXED USE	GREENFIELD	STOREFRONT IN MIXED USE
	EXAMPLE SITES									
	RCC/East Link Station	Teen Center		New Rec Center	Senior Center, Fire Station 11					
CIVIC PRIORITIES										
Cultural Identity for Redmond	Best	Best	Least	Best	Best	Least	Best	Least	Best	Least
Retail, Dining & Civic Amenities Adjacency	Best	Best	Best	Good	Good	Good	Good	Good	Good	Good
Pedestrian Oriented / Accessible Location	Best	Best	Best	Good	Good	Good	Least	Least	Least	Least
Light Rail Transit Proximity	Best	Best	Best	Good	Good	Good	Best	Best	Best	Best
Development / Investment Catalyst	Best	Good	Good	Best	Good	Good	Good	Good	Good	Good
PHYSICAL DEVELOPMENT										
Proposed Building and Site Development Fit	Best	Good	Least	Best	Good	Least	Best	Least	Best	Least

BEST POTENTIAL
  GOOD POTENTIAL
  LEAST POTENTIAL

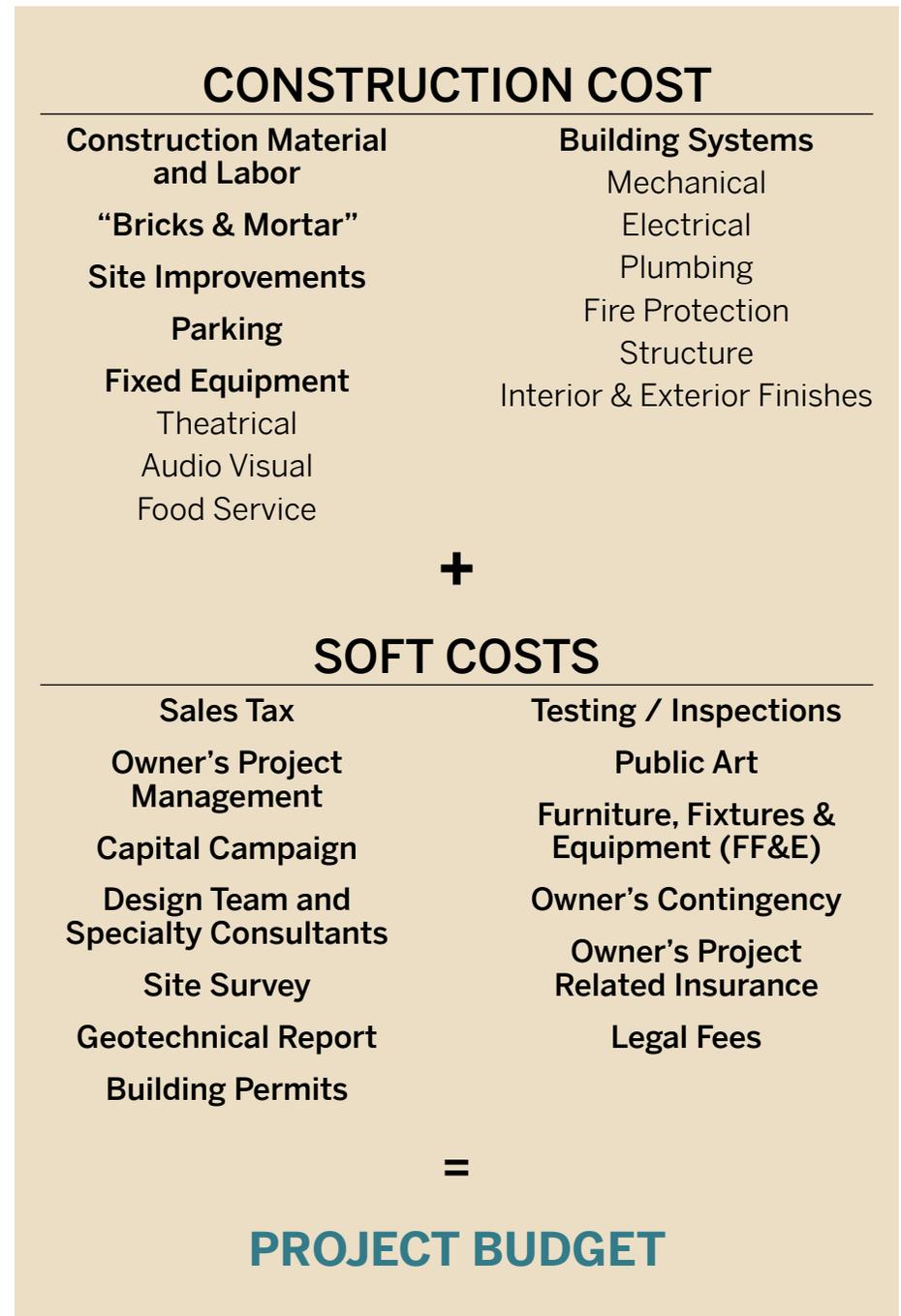
# Cultural Facility Budget Methodology

A cultural facility budget, often referred to as the project cost, includes consideration of all the costs associated with a given project, from conception through occupancy. The total project cost is the sum of two specific categories of cost; construction cost and soft costs.

The construction cost is the amount paid to the contractor who builds the facility and includes materials; labor; contractor's profit; and general conditions which comprises cost such as management and supervisory overhead, insurance, and equipment rental. Preliminary construction cost estimates often include a design and estimating contingency and escalation if the start of construction date has been identified. Design contingency and escalation are industry standards and anticipate costs associated with better definition of the project as it evolves through the design process as well as market driven construction cost conditions.

Soft costs are costs paid by the owner for items such as site acquisition, permits, mitigation fees, hazardous material remediation, legal fees, design fees, surveys and geo-technical studies, special consultants, fund raising costs, project administration, project management, sales taxes, and owner contingencies.

The construction cost is unique to each project and is based upon the contents of the drawings and specifications prepared by the design team which includes architects, engineers and other specialty consultants. The same is true of soft costs in that they are based upon factors that are unique to each project, however unlike the parameters for construction costs, the analysis of soft costs is the responsibility of the owner.



## City of Redmond Cultural Facility Budget

Within the scope of Phase Two, the City expressed interest in identification of a preliminary capital cost estimate for the anticipated physical development required for a cultural facility in Redmond that would meet the recommendations from Phase One.

Given that there is uncertainty in many aspects of the project cost at this stage of the project's genesis, an alternative method for identifying a preliminary capital cost estimate is proposed. Two potentially significant costs typically captured in a Range of Magnitude Project ROM Budget, site acquisition costs and escalation, are not able to be identified at this time because this study neither recommends a specific site nor has an established construction timeline. Therefore, this preliminary capital cost estimate does not seek to arrive at a ROM Project Budget, but rather, is focused on definition of a Range of Magnitude Construction + Soft Cost Budget. With further definition of the site and construction timeline, a Range of Magnitude Project Budget could be determined.

$$\begin{aligned} &\text{CONSTRUCTION COST} \\ &+ \\ &\text{SOFT COSTS} \\ &= \\ &\text{CONSTRUCTION +} \\ &\text{SOFT COST BUDGET} \\ &+ \\ &\text{ESCALATION} \\ &+ \\ &\text{SITE ACQUISITION} \\ &= \\ &\text{PROJECT BUDGET} \end{aligned}$$

## Construction + Soft Cost Budget

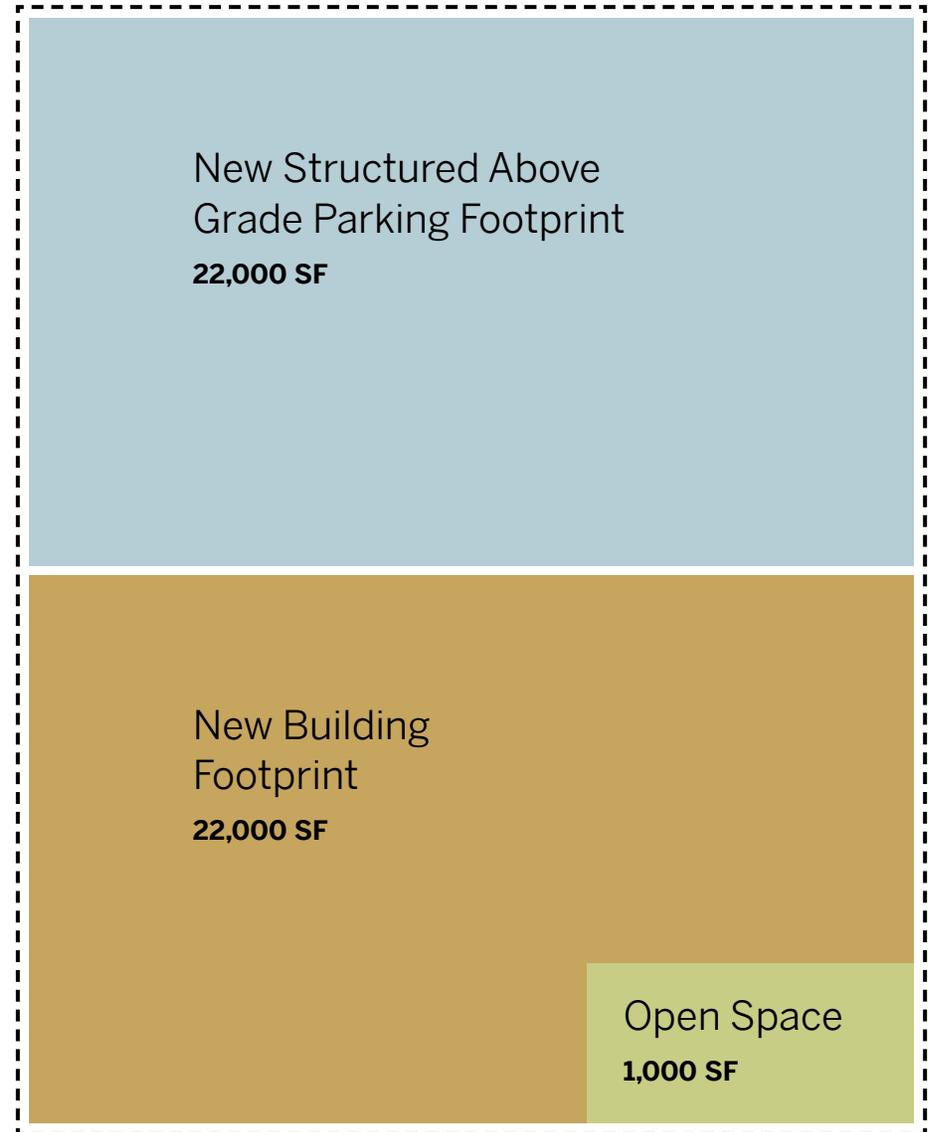
Previously, a variety of site areas and site typologies for a cultural facility in the City of Redmond were outlined. The site areas and development typologies became the framework for a site evaluation matrix that would guide the City relative to future decisions about site(s) and type(s) of development as opportunities presented themselves. This study does not recommend a specific site or development type. And, construction cost is heavily influenced by the unique requirements of a specific site and the type of construction; new building, adaptive reuse of an existing structure, or storefront/mixed use tenant improvement.

However, by making an assumption about site and development type, it is possible to develop a range of magnitude idea of construction cost to guide project planning. For the purposes of this study, the construction cost is developed from a series of assumptions for the project. Those assumptions include a project site located within the Downtown Redmond site area and, at 45,000 square feet, just large enough to accommodate the building, required structured parking and a small open area. It is also assumed that the cultural facility and structured parking garage will be new construction. Given the extreme cost variability associated with construction cost for adaptive reuse of an existing building or storefront/mixed use tenant improvement in either a new or existing building, it is not possible to estimate cost without a specific building identified. The adjacent diagram illustrates the assumptions for the project that directly guided the construction cost estimate.

For the City of Redmond cultural facility, the construction cost estimate represents a range of costs directly associated with the building of the facility as established by the building program. The construction cost is broken down into three primary components. Those components and the assumptions for each are as follows:

- **New Building:** 'bricks and mortar' including structure, building systems, and theatre and audio systems to support the recommended functionality,
- **Site Improvements:** topographically flat site without on-site structures, utilities and below grade conditions by others, and paved/landscaped open space at building entry,
- **Structured Parking Garage:** efficient configuration, cast in place concrete structure, and multiple above grade levels .

## Site and Building Assumptions



Site Footprint

**45,000 SF**

The construction cost is built up by a low-medium-high cost per gross square foot (GSF) range for a new building and a low-medium-high cost range for the site improvements and structured parking garage. These cost ranges were developed through creation of a 'baseline' building program estimate with added premiums for performance spaces, infrastructure and built-in equipment and application of current construction market labor and material rates. Without an established construction timeline, these ranges are costs in 2015 dollars that can be reasonably expected for each component with the defined assumptions. As the project develops and becomes further defined, a greater level of certainty about the construction budget will evolve.

For purposes of developing a construction and soft cost budget range, the median building program area of 26,250 GSF along with the median cost for each construction component have been used to arrive at a construction budget.

Soft costs are also unique to each project. For the purposes of this study, a soft cost range of 50% to 66% of the construction cost, based on past project experience, was assumed. This range is slightly higher than that of a typical commercial project due to the complexity inherent in a cultural facility with a large, flexible performance and event space. Specialty theater and acoustical consultants as well as performance oriented fixtures and equipment are examples of soft costs that are unique to this project type. Unlike construction cost, the analysis of soft costs is the responsibility of the owner. To assist the City at this early stage of the project an abbreviated list of soft costs for consideration includes:

- Sales Tax
- Owner's Project Management
- Design Team and Specialty Consultant Fees
- Owner's Contingency and Project Related Insurance
- Building Permit, Survey, Geotechnical Report, Testing and Inspections
- Public Art
- Furniture, Fixtures and Equipment

The Soft Cost Range added to the Construction Cost results in the Construction + Soft Cost Budget Range. Costs of escalation and site acquisition, which could vary widely, will be evaluated when further detail is known about the preferred site and the anticipated construction timeline. These two costs, added to the Construction and Soft Cost Budget Range, would then determine the Total Project Cost for the facility.

New Building Cost Range	500 \$/GSF	525 \$/GSF	550 \$/GSF
	X 26,250 GSF		
	\$13,800,000		
Site Improvements Cost Range 45,000 SF SITE	\$1,250,000	\$1,375,000	\$1,500,000
New Structured Parking Cost Range 120 STALLS	\$4,200,000	\$4,350,000	\$4,500,000
<b>Construction Cost</b>	<b>\$19,525,000</b>		
<b>Soft Cost Range</b>	<b>\$9,762,500</b>	-	<b>\$12,886,000</b>
<b>Construction and Soft Cost Budget Range</b>	<b>\$29,287,500</b>	-	<b>\$32,411,000</b>
Escalation	Not included		
Site Acquisition	Not included		
<b>Total Project Budget</b>	<b>TBD</b>		

# Next Steps

The recommendations for a preliminary venue configuration; functional building program and associated range of total required building area; site evaluation framework for multiple site areas and site typologies; and construction and soft cost budget range contained in this study serve to support the preliminary project planning for a cultural facility in the City of Redmond.

Moving forward, as a site or sites are identified for further inquiry, the next step for continued refinement of the physical development considerations for this cultural facility includes a more detailed evaluation of the building program fit on the site(s) and the appropriateness of a given site's characteristics for the project vision. This next step, a concept design study, would provide not only a site test fit but also iterative refinement of the building program and business plan, conceptual level understanding of what the building experience and expression might be and a more detailed development of the construction components and construction budget required to achieve the concept. As part of the concept design study, architectural models, renderings and imagery could be utilized to convey the design vision and communicate that vision to the broader community.

The final steps for the project are full scope design services and construction. When sufficient funding for the design is available, the design process can begin in earnest. The architectural design process includes three distinct phases; schematic design, design development and construction documentation. And finally, with construction funding in place, the vision can begin to take physical shape.

# **Appendix E**

## **Reference Projects Case Studies Summary**

## Lawrence Arts Center

Lawrence, KS

[www.lawrenceartscenter.org](http://www.lawrenceartscenter.org)



### Facts in Brief

<b>Facilities</b>	4,000sf space with Main lobby, main theatre, black box theatre, gallery space, classrooms, jewelry studio
<b>Operating Structure</b>	Owned by City of Lawrence, operated by Lawrence Arts Center Inc., a 501c3.
<b>Staff</b>	18 Full time, 14 part time
<b>FY2014 Revenue</b>	\$2,073,567
<b>FY2014 Expenses</b>	\$2,012,687
<b>Programming</b>	Strong educational programming- offers classes in visual arts, crafts, and performing arts

### Background

*Mission: To enrich individuals and the community by nurturing love of the arts through education, exploration and expression.*

History:

The Lawrence Arts Center, a 501c3 non-profit organization, was founded in 1975 and for its first twenty-five years was located in a former Carnegie Library building two blocks from the center of downtown Lawrence. The building, while historic, had substantial functional limitations, and in 2002 the Lawrence Arts Center opened a new home four blocks away. This 40,000sf new venue, designed by Treanor Architects, was built for \$7.25 million through a collaboration between the Lawrence Arts Center and the City of Lawrence.

At first, the new center struggled due in part to leadership problems; according to Chief Programs Officer Margaret Morris, at the outset it was not a hub for arts and culture in Lawrence. However, because of a rich arts culture integrated into the everyday life of Lawrentians, the center overcame struggles and grew more and more vibrant over time, building on energetic new leadership.

Today, the Arts Center offers a diversity of performances, exhibitions, and educational programs year-round, as well as serving as a hub for robust outdoor festivals and city-wide activities during the summer months.

Through a recent collaboration with the City of Lawrence, the Arts Center will establish 9th Street between Delaware and Massachusetts streets as a multimodal Complete Street designed by city engineers and artists working in partnership from the outset. The Center is a recipient of the 2014 ArtPlace America creative place making grant for this effort. See [http://www.lawrenceks.org/assets/documents/9th-st-corridor/CompleteStreetConceptPlanDraft\\_web](http://www.lawrenceks.org/assets/documents/9th-st-corridor/CompleteStreetConceptPlanDraft_web)

## Facilities

The Lawrence Arts Center's facilities include:

- a 300-seat fixed-seating theater used primarily for drama and dance,
  - Includes a movie theater quality screen, full range of video and sound equipment as well as grand pianos may be rented as part of event.
- An 80-seat studio/black box space used for both informal performance and rehearsals,
- two arts-based preschool classrooms,
- two art classrooms,
- two dance studios,
- two art gallery spaces,
- individual studio classrooms for ceramics, jewelry/stained glass, photography, and printmaking,
- a writing classroom,
- costume and set shops,
- gift shop

The main lobby and gallery spaces can accommodate groups for seated dinners or a strolling buffet can accommodate up to 600 guests.

Gallery spaces can be used for corporate events, company retreat or events, galleries provide state of the art audiovisual equipment, a sound system, and space for up to 100 seated theater style. Classroom style setup and rounds are also options. The working jewelry studio can be rented out as meeting space, and can accommodate groups up to 25.

## Operating Structure

501c3 Non-profit operator: Lawrence Arts Center, Inc.

Building owned by City of Lawrence

## **Staff & Volunteers**

In FY 2013 Lawrence Arts Center employed 82 people, and had about 100 active volunteers. Typically there are 2 full time artists in residence and 50-95 contracted teaching faculty depending on the time of year; all are contract (1099) employees.

The administrative staff has almost doubled in the last three years, due to the Center's part in major projects such as the Free State Festival, the ArtPlace project and our Hearst funded STEAM afterschool program.

Staff positions:

- Chief Executive Officer
- Chief Operating Officer
- Chief Program Officer
- Director of Grants and Special Projects
- Development Director
- Office Manager
- Assistant Office Manager
- Director of Youth Education
- Director of Residencies and Adult Education
- Director of Digital Media
- Photographer/Videographer
- Studio Manager
- Print Studio Fellow
- Arts Based Preschool & Early Childhood Education Director
- Arts-based Preschool Assistant
- Dance School Director
- Dance School Assistant/Costume Shop Manager
- Exhibition Program Director
- Exhibitions Assistant
- Artistic Director of Performing Arts
- Associate Director for Performing Arts & Performing Arts Education
- Production Manager
- Marketing Director
- Graphic Designer
- Facility Maintenance Manager

### **Board: 17 members**

Key officials: Chair, Vice Chair, and Treasurer

## Programming

Most programming is produced by the center. They curate their art shows, host resident artists, offer art classes, and have their own ballet company. Occasionally the center will host touring bands or dance companies.

“The primary focus of the Lawrence Arts Center’s programs is its educational programs, which serve over 6,000 students in art and drama, 2,500 students in dance, 250 students in art-based preschool, and 250 students in summer youth theater. The Center’s art exhibitions host over 10,000 visitors annually.

The center hosts 600 artists and 26,000 audience members yearly. Of their performing arts programs, 70% are self-produced and 30% are presented work which is slotted between their production schedules. Every proposed program goes through their curatorial team for approval.

Although there is some overlap between programming with the Lawrence Parks and Rec department, they do not see each other as a threat.

“Our classes are more fine arts oriented and we cater to different audiences...We offer a high level of programming that the community demands and the city can’t fulfill.”

FY2013-2014

### Exhibitions

- Works by over 150 artists
- 14 solo shows
- 6 group shows
- 15 insight Art Talks
- 6 films
- 3 student shows

### Artist Residencies

- Ceramics & Printmaking Artists-In-Residence: 2 artists
- 6 Project-Based Residencies
- Other Programs:
  - Free State Festival: 20 artists
  - Theater/Music: 15 artists
  - School of Dance: 9 artists
  - Youth Arts: 1 artist

### Art Education

- Early Education
- Kindergarten
- 1<sup>st</sup>-5<sup>th</sup> grade: 2 programs
- 6<sup>th</sup>-12<sup>th</sup> grade: 3 programs
- Adult Arts Classes

-School of Dance: 8 productions

### **Stage Productions**

- 22 productions: 11 produced, 11 presented
- 63 performances
- Over 10,500 attendees annually

## **Residencies & Partnerships**

### **Resident Artists**

Lawrence Arts Center hosts two yearlong resident visual artists a year. They receive a \$1000/month stipend, studio space, and off-site housing. Beyond that, project-based residencies provide local and regional artists with workspace and exhibition space. Project-based residencies include a \$300 stipend and studio space for 2 weeks – 4 months.

All resident artists are required to engage with the community in some way. At the very minimum they give a lecture, while most resident artists will teach a class or workshop, as well as take classes at the center.

### **Theatre Productions**

The Center's theater is rented out to local productions and travelling theater companies. They also provide space for theater groups and individual playwrights from the University of Kansas. However, the majority of Center theatrical programming is self-produced or presented.

### **Community Partnerships**

Although the center does not provide direct grants for local artists, they provide support and hire artists they believe fit their curatorial vision.

Lawrence Arts Center works with the Lawrence Community Center which shares space with them and provides scholarships for the programming (yoga and dance classes) that Arts Center presents in their space.

### **University of Kansas**

There is a lot of cross-pollination between the Center and the University of Kansas, for an array of programs. The theatre is made available to university theater groups and individual playwrights, and the music department frequently uses the theater for performances. Resident artist programs draw from the university frequently, and the center works with the University's school of architecture to maintain the "MoCoLAB" (mobile collaboration laboratory), a repurposed airstream trailer that hosts a variety of programs ([kumocolab.org](http://kumocolab.org)).

## **Funding Summary**

The center's earned income is largely driven by its education programs, which are 'revenue-positive' and support many of the Center's other programs. In

particular, the School of Dance and Arts Preschool bring in the most revenue. This is thought to be because of the long term training and education involved in learning ballet and the carry-on benefits of additional program attendance related to with each individual child involved in these programs.

Lawrence Arts Center's program revenues are supplemented by other income streams including:

- Space rentals - because of high demand for theater space, main stage is always booked.
- Rental income provided by church group using the Center for Sunday services totals about \$65,000 in rental revenue. The church has funded certain facility and equipment projects as well.

The center has many mutually-beneficial relationships with food and beverage businesses in downtown Lawrence (e.g. coupon offerings associated with events, etc.), but do not operate as an official vendor of food or drinks.

The Center's contributed income streams are reliant on donations from individuals, families, small businesses, corporations, and foundations, comprising 44% of the total operating budget. The annual Benefit Art Auction raises \$180k+ for the exhibitions program, and a robust membership program creates a pathway for individuals to become donors. The Center hosts special events for and offers discounts to members.

The City of Lawrence contributes to facility maintenance, primarily covering utilities, and provides \$10,000 annually for scholarships and occasionally. The city will provide program funding on a project-by-project basis, and continuing advocacy work is required to maintain these contributions.

## Budget

### Major Revenue and Expenses:

Revenue	FY 2014	% of total
Tuition	\$617,448	29%
Ticket Sales	\$112,337	5%
Financial Aid	\$111,750	5%
Art Auction	\$112,781	5%
Summer Youth Theatre	\$71,205	3%
Building and Use Rental	\$103,073	5%
Sponsorships & Donations	\$622,947	30%
Other Earned Income	\$104,607	5%
City of Lawrence	\$91,668	4%
Grants	\$125,751	6%

<b>TOTAL REVENUE</b>	<b>\$2,073,567</b>	
<b>Expenses</b>		
Operations	\$326,348	16%
Salaries & Benefits	\$886,527	44%
Contract Artists	\$285,488	14%
Grant Expense	\$30,025	1%
Program Operating Expense	\$207,354	10%
Production, Program & Project Expense	\$276,945	14%
<b>TOTAL EXPENSES</b>	<b>\$2,012,687</b>	
<b>NET</b>	<b>\$60,880</b>	

## Challenges

Although the city owns the building, they are not responsive to repair needs, which grow as the building is begin to show signs of wear and tear. Those who created original agreement with the city regarding facility maintenance are no longer around, and continual advocacy is required for major and ongoing maintenance.

The growth of programs has put additional pressure on space needs, particularly for private art studios, administrative areas, and storage. The education programs also need more space to meet demand.

## Recommendations

- Make sure your relationship with the city is very clearly defined, especially regarding maintenance of your facilities. Be sure you are on their list of priorities.
- Employ a good marketing staff and grant writer.

## Community Context

Community	Population (2013)	Land Area
Lawrence, KS	90,811 (2013)	34.26 sq miles
MSA Area	110,826	457.0 sq miles
<b>Closest Larger City</b>		
Kansas City (36 miles away)	467,007	319.03

Lawrence is located between Topeka and Kansas City and is home to the University of Kansas. The Lawrence Arts Center is located on the edge of downtown Lawrence, a growing regional destination that contains numerous restaurants and bars and unique local as well as ubiquitous national retailers.

Currently there is not a significant/established minority culture in Lawrence.

## Sources

<https://www.facebook.com/media/set/?set=a.274781295874266.71821.113150182037379&type=3>

<http://lawrenceartscenter.org/staff/>

<http://www.guidestar.org/FinDocuments/2013/480/825/2013-480825692-09cf973e-9.pdf>

## Interviewee

Margaret Morris, Chief program officer

Phone interview by Katie Oman and Hanako O'Leary Sept 9 2015

## Coconino Center for the Arts

Flagstaff, Arizona

[www.flagartscouncil.org](http://www.flagartscouncil.org)



### Facts in Brief

<b>Facilities</b>	Main Gallery, Jewel Gallery, 200-seat thrust-stage theatre
<b>Operating Structure</b>	501c3 non-profit, owned by Coconino County, operated by Flagstaff Arts Council, Cultural Center
<b>Staff</b>	2 full time, 5 part time, 1-2 full time AmeriCorps
<b>2013 Revenue</b>	\$711,552
<b>2013 Expenses</b>	\$706,404
<b>Programming</b>	Contemporary arts and crafts exhibits, performing arts, classes and workshops

### Background

*Mission: "The Flagstaff Arts Council promotes, strengthens and advocates for the arts in our community."*

History:

The Art Center began as a disused barn that was converted by local artists into artist's studio spaces and gallery in the 1960's. The barn became a point of inspiration for artist and arts advocate Viola Babbit, who lobbied for Flagstaff to build a better facility to meet the community's arts and culture needs.

In 1984 the new center opened as a county-owned property, with the Coconino Center for the Arts, a 501c3 established to operate it. The center thrived until having to close in the mid-1990s due to lack of funding. After lying empty for several years, in 1999 the center opened again and the Flagstaff Arts Council was established to operate it. Since then, the exhibits and performance programs have expanded greatly, in parallel with a significant expansion in contributed revenue.

### Facilities

The facility was built 1999 and is operated by the Flagstaff Arts Council. The building is owned by the City of Flagstaff.

It is located less than 1 mile from downtown Flagstaff, adjacent to the Pioneer Museum.

- 4000 sq. ft. Main Gallery hosts a variety of arts exhibitions and can seat 200 for dinner.
- The “Jewel Gallery” hosts smaller exhibitions
- Theatre: 2700sf, seats 200 hosts range of live programming, principally presented music concerts.
- Lobby: 640sf, meeting capacity 35-40
- Boardroom: 240 sf, capacity 12-20

Facilities are available for wedding receptions, fund raisers, seminars, receptions and more. Discounts are available for non-profit organizations and schools.

Because the most substantial rental events take place in the gallery, there is sometimes conflict between the gallery content and nature of the event. For this reason, renters can be turned away and there is often unmet demand. Renters are typically school groups and non-profits.

The city is very involved in facility maintenance. They grant the center about \$70,000 annually for operating s and grants.

## Community Context

Community	Population	Land Area
Flagstaff, AZ	68,667 (2013)	63.86 sq miles
Coconino County MSA	136,539 (2013)	18,661 sq miles
Closest Larger City		
Scottsdale, AZ (118 miles away)	226,918 (2013)	184.20 sq miles

Just one mile from downtown Flagstaff, CCA is on the way to several Arizona attractions such as the Grand Canyon, Museum of Northern Arizona, and the Arizona Snowbowl. Flagstaff is the county seat of Coconino County- the second largest county in the US. Because of its high tourist traffic and healthy real-estate market, Flagstaff real estate was not affected as significantly by the recession as other parts of Arizona. This allowed the Arts Center to thrive when many other non-profits were forced to close.

80-90% of the Center’s audience is local. Because they are not located downtown and are off the beaten path, they continue to be relatively unknown as a hub for arts activity outside the immediate community.

## Staff & Volunteers

Staff positions include

- Executive Director
- Deputy Director
- Marketing Manager
- Program Assistant
- Bookkeeper / Administrative Assistant
- Facilities Manager

Volunteers:

- Events- taking and selling tickets, ushering and more
- Viola Awards- running the silent auction, promoting memberships and raffle tickets and more
- Gallery- moving walls, painting, and getting ready for exhibition openings
- Gallery Greeter- welcome the public into galleries at the Coconino Center for the Arts
- Art Walk Ambassador- give out maps and answer any questions from the public
- Outdoor Caretaker- clean up and maintenance of the grounds, garden and building
- Administrative Assistant- various office tasks such as filing and computer work
- Docent for School Groups- contacting local schools and arranging school visits to the gallery, provide docent tours to school groups

### **Board of Directors: 18 members**

Executive Committee: President, V. President, Treasurer, Member at Large  
Development Committee  
Finance Committee  
Arts and Science Committee  
Viola Awards Committee  
Marketing Committee  
Arts Advisory Council

To maintain relatively autonomous programming, the Arts Council reserves a seat for a city council member and county member on their board. Artistic direction and curation is completely up to center staff.

Currently the Center has two full time AmeriCorps members on staff. They believe that these positions will be terminated within the coming year- creating a shortage in staffing.

Artists are hired on a contractual basis, although this is rare (only for occasional instructors). The majority of Center's affiliation with artists is as to show their work during curated shows or presented events.

## Programming

Flagstaff Arts Council carries out their mission through two main pillars of operation:

1. Management of the Coconino Center for the Arts, where they produce self-curated exhibitions in their main gallery and Jewel Gallery, and a presented concert series in the theatre. In the summer season they present a Summer Concert Series at the Arboretum at Flagstaff, and Heritage Square during summer nights on the square.

2. Service to the larger arts and sciences community through grant funding, promotional support, advocacy and community-wide initiatives and programming.

- Exhibitions: hosts around 10 shows a year between the two galleries
  - Main Gallery
  - Jewel Gallery
- Concerts: about 46 musical performances a year
  - Coconino Center for the Arts: late September through May
  - Arboretum at Flagstaff: Summer Concert Series
  - Heritage Square: Summer Nights on the Square
- Classes and Workshops: The Arts Council occasionally offers visual arts, performance, dance, music, writing etc. Workshops are taught by local artists and performers.
  - About 17 one-day classes and workshops for arts (annually)
  - About 2 two-week summer camp sessions for kids (annually)
  - One six week comedy workshop for adults (annually)
- Center Rental

Until 2 years ago, all performance events were booked by outside providers. Recently, the center has taken more initiatives to book their own shows; they book about 35% of their performances, while the rest are booked by outside providers.

There are currently no resident companies.

Art exhibitions are all produced internally. The center has a curatorial group made up of local artists and arts professionals. All exhibits are overseen by their artistic director.

Because of Flagstaff's vibrant First Nations and Hispanic community, they have frequent participation from minority groups at the center. Much of their participation depends on the content of the artwork on display.

## Funding Summary

Major revenue streams come from ticket sales and rental revenue, with contributed income sources from membership, donations, and sponsorship.

- Membership: there are five tiers of membership for individuals ranging from \$35 to \$1000 for individual or family donations. This serves as a pathway for involving new donors.
- Donations: Donations to the Flagstaff Arts Council goes to the Coconino Center for the Arts.
- Sponsorships: Businesses are encouraged to sponsor Coconino Center, where over 25,000 visitors will see their logo annually. Although not located in the city center, the Arts Center advertises many events hosted by businesses down town.

The majority of the Center's programmatic funding goes to their art exhibitions. Classes and workshops are currently not their priority due to lack of space, but they plan on expanding these programs in future years.

The city typically contributes \$70,000 annually to manage grants and programs. This is the Center's biggest source of contributed income.

The Center's concert series has so far been revenue neutral.

## Budget

### Budget Breakdown

Revenue	FY 2013	% of total
Membership Dues	\$28,315	4.0%
Government Grants	\$389,580	55%
Other contributions, gifts, grants	\$164,438	23.1%
Ticket Sales	\$53,106	7.5%
Exhibition Fees	\$2,853	0.4%
Workshops and Classes	\$22,679	3.1%
Commissions	\$8,349	1.1%
Fundraising	\$31,548	4.4%
Rental Income	\$7,934	1.1%
Investment Income	\$2,750	0.4%

<b>TOTAL REVENUE</b>	<b>\$711,552</b>	
<b>Expenses</b>		
Salaries and Wages	\$65,895	10.72%
Other Salaries and Wages	\$118,326	16.70%
Payroll Taxes	\$14,093	2.00%
Fees for Services (non-employee)	\$75,157	10.60%
Advertising and Promotion	\$47,037	6.70%
Office Expenses	\$11,345	1.60%
Occupancy	\$15,042	2.10%
Depreciation, depletion, and amortization	\$5,574	0.80%
Insurance	\$5,893	0.80%
Credit Card and Bank fees	\$5,901	0.80%
Grants	\$285,500	40.00%
Dues and Memberships	\$1,388	0.20%
Hospitality	\$9,818	1.30%
Program Expenses	\$45,112	6.40%
Other	\$325	0.05%
<b>TOTAL EXPENSES</b>	<b>\$706,406</b>	
<b>NET</b>	<b>\$5,146</b>	

## Challenges

- Because it conflicts with their curatorial mission, the Center has a hard time renting out its gallery for events during art exhibitions.
- They are very short staffed. If they had the resources to hire more staff, they would have more classes, workshops, and possibly an entire school just for classes.
- Facility is too small to accommodate any more programming.

## Recommendations

“Build for growth. You will need more space than you think.”

Flagstaff recommends that Redmond plans for extra space to accommodate a growing admin staff, gathering space, classrooms, and artists’ space.

## Sources

<http://flagartscouncil.org/the-arts-council/economic-impact-study/>

<http://www.guidestar.org/FinDocuments/2014/860/488/2014-860488006-0aebc46e-9.pdf>

[https://www.facebook.com/flagstaffarts/photos\\_stream](https://www.facebook.com/flagstaffarts/photos_stream)

[http://www.flagstaffarizona.org/flagstaff\\_locations/coconino-center-for-the-arts/](http://www.flagstaffarizona.org/flagstaff_locations/coconino-center-for-the-arts/)

**Interviewee**

John Tannous, Executive Director

Phone interview by Katie Oman and Hanako O'Leary Sept 19 2015

## Firehouse Center for the Arts

Newburyport, Massachusetts

[www.firehouse.org](http://www.firehouse.org)



### Facts in Brief

<b>Facilities</b>	191 Seat Arakelian Theater, Firehouse Art Gallery in lobby
<b>Operating Structure</b>	501 c3 Governed by Society for the Development of Arts and Humanities of Greater Newburyport
<b>Staff</b>	5 full time, 2 part time
<b>Revenue 2013</b>	\$796,629
<b>Expenses 2013</b>	\$784,086
<b>Programming</b>	<u>Visual arts</u> : monthly art exhibitions <u>Theatre</u> : Local and national caliber artists in dance, theater, classical and popular music, film, children's programming <u>Education</u> : child and adult theatre education

### Background

*Mission: to advance the arts and humanities in the Greater Newburyport region by:*

- *fostering the growth and development of the individual artists and cultural organizations through its programs and services*
- *stimulating understanding of and participation in the arts and humanities*
- *presenting, sponsoring and producing a broad range of cultural, educational and artistic programs.*

The historic building that now houses the Firehouse center was built in 1823 as a market house and lyceum. It served as Newburyport's Central Fire Station from 1864 until 1979, when the fire department moved to a new location. The firehouse was placed on the National Register of Historic Places in 1972.

The City Council hoped to find a new purpose for the historic building and formed a committee to study alternative uses. The committee suggested several options, but eventually the City Council backed the mayor's plan to lease the building to developers who were planning to build a waterfront hotel. Angered by the decision, a small group of local officials and citizens formed what was

called the Firehouse Committee. It had the goal of ensuring that citizens had a say in the future of the building, which they wanted used for community purposes.

Eventually, the two sides came to an agreement that was acceptable for both the city and the committee. In June 1985, two new proposals for the building were submitted to the City Council. The proposal given by the nonprofit Society for the Development of the Arts and Humanities (SDAH), a group affiliated with the Chamber of Commerce, was accepted.

The SDAH created the Firehouse Alive! Campaign to gather individual donations and grants from the community to make the new arts center a reality. The rehabilitated Firehouse Center for the Arts opened in 1991, offering a gallery, second-floor function room, a theater, and a restaurant. The Firehouse Center was designed by Schwartz/Silver Architects, and won an "Honor Award for Architecture" from the American Institute for Architects.

The restaurant was the key to financial success for the Firehouse Center. The current, and third, dining establishment, Not Your Average Joe's, has been in the Firehouse since June 2004. The Firehouse's reputation grew gradually and by 2007 it had grown to 400 members.

Although not the only performing arts venue in town, Firehouse is the largest with the most programming.

## Facilities

- Restaurant space, currently leased by Not Your Average Joe's restaurant, which pays \$120,492 annually in rental fees, making up 15% of their total income
- Proscenium theater with 195 seats, a 30' x 17' sprung wood stage floor, theatrical lighting and sound systems, a backstage bathroom, and elevator access to basement dressing rooms
- 375 square foot (estimated) first floor gallery space that also provides access to Not Your Average Joe's restaurant and the public restrooms in the basement
- Second floor gallery/function/theater lobby space

The facility is wheelchair accessible and there is parking next to theater or across the street in public lots. The public restrooms on the basement level are utilized by the heavy tourist traffic to the downtown waterfront area. SDAH and Not Your Average Joe's jointly maintain the restrooms, which are also used by their patrons. The restroom maintenance is part of SDAH's lease contract with the City of Newburyport.

Because their lease with the city holds them liable for the stewardship of an aging historic facility, Firehouse is now in the midst of their first capital campaign. Their key focus has been to create a culture shift, emphasizing the importance of Firehouse's role in maintaining a historic facility as a community asset, rather than focusing fundraising efforts solely on programs. So far Empty Seats has provided a \$40,000 matching grant, but there is still over \$1.2 million needed in order to keep the building up to date.

### Community Context

Community	Population (2013)	Land Area
Newbury Port, MA	17,800 (2013)	10.60 sq miles
MSA Area	4,732,161	4,500 sq miles
Closest Larger City		
Haverhill, MA (12.8 miles away)	60,879	32.97 sq. miles
Boston, MA (35 miles away)	4,180,000	48.42 sq miles

Newburyport recently received Cultural District designation by the Massachusetts Cultural Council. The community views the center as an asset and is very supportive of their current capital campaign.

### Operating Structure

The Firehouse Center is managed by the Society for the Development of Arts and Humanities of Greater Newburyport (SDAH) as a 501(c)3 non-profit organization. A 19-member Board of Directors governs the SDAH.

SDAH has been around since the 1970's before the formation of Firehouse theatre. Currently they are looking to change their name.

### Staff & Volunteers

The Center is staffed by 5 full time and two part time employees. Volunteers at Firehouse serve as ushers, board members, committee members, box office assistants, stage hands, designers, photographers, costumers, advocates, party planners and more.

Staff positions include:

- Executive Director
- Artistic Director
- Technical Director
- Marketing Manager
- House Manager/ Volunteer Coordinator
- Box Office Manager

The Center is governed by a 17-member board of directors.

## Programming

“Staging musical and theatrical performances in local schools and at the Arakelian Theatre at the Firehouse Center in Newburyport, the organization also supports the visual arts through the art gallery at the Firehouse Center.”

### Education

Holding true to the belief that the arts are an essential part of the learning experience, the Firehouse Center offers enrichment programs exclusively for schools. These productions teach lessons and enhance creativity, allowing students to express themselves in non-traditional ways.

Glee Club! School Vacation Program: 2 cycles with two sessions each, Mon-Friday, 20 classes total

Senior Readers’ Theater: three 8-week sessions throughout the year with 2 time slots, 56 classes total

School Show Series: 6 productions, 2 performances each, 12 performances total

### Producing and Presenting

Originally serving as a venue for local groups to present their work, Firehouse has taken on more responsibility in booking events since the economic downturn. Music performances are presented in the theatre, typically one night a week, with mostly local and regional acts. Bigger names are harder to book because the most they have ever charged for a seat is \$35. They sometimes partner with Natick Center for the Arts (about an hour away) for routing presented acts.

Four shows are produced by the Center in the theatre, each running for about two weeks. The theatre is used for producing or presenting events about half the time, and the rest is booked for rentals. Most rental groups are nonprofits.

Firehouse offers a grant to 6 non-profits a year to use their theatre and facility to run programming that will benefit the nonprofit. This can be anything from performances to fundraising events, and the facility is offered rent-free.

## Resident Companies & Partnerships

Many regional arts organizations perform regularly at the Firehouse Center, as well as other venues in the area. These range from theatre groups (ActingOut productions) to local variety shows, comedy acts, dance troupes, etc.

SDAH works closely with Not Your Average Joe’s restaurant when considering programming. The restaurant’s sales are dependent on how well performances

do, and SDAH coordinates show times to allow patrons to eat at the restaurant. The restaurant also has first priority for event catering at The Firehouse, though other caterers may be brought at a renter's request. In return, the popular restaurant draws additional patrons to the Firehouse Center and provides a steady lease income.

## Funding Summary

### Earned Income

Ticket sales account for approximately 35% of Firehouse's annual budget. Space rental revenues make up the remainder of the Center's 'earned' income stream. Rental for social events, such as weddings, are limited by the programming calendar, which is not set far enough ahead to be able to confirm these types of events. Instead, SDAH focuses on business rentals, which can be scheduled with shorter lead times. The theater is often rented by local arts organizations for performances. Rental rates are flat fees, plus additional charges for technical staff, equipment, box office, ticketing and other services. The rental rates are kept low as a service to the community. Arts education programs for youth have become a source of revenue, while senior classes are currently self-sustaining.

### Contributed Income

Sources of contributed revenue include membership, sponsorship, events, monthly giving campaign, and stock gifts.

Membership: ranges from \$50 level to \$1000+. Benefits include ticket discounts, ticket exchange privileges, advance notice of sure-to-sell out shows, 15% off certain downtown restaurants (excluding alcohol) and businesses.

Sponsorship: Sponsorship Opportunities range from \$500 to \$5,000 or more – depending on the type of attraction, the length of the run, and the exposure the event will generate.

Firehouse is currently involved in capital campaign to match a \$140,000 grant from the Massachusetts Cultural Council. The campaign goal is to raise \$515,000 to address necessary repairs to the Firehouse facilities, though more than \$1m in needed repairs have been identified.

## Budget

Revenue	FY 2013	% to total
Membership Dues	\$20,525	2.5%
Other Contributions	\$302,035	37.9%
Performance Income	\$286,508	36.0%
Restaurant Rental	\$120,492	15.0%

Ticket Endowment Income	\$11,886	1.5%
Art Sales	\$9,682	1.0%
Concession Sales	\$3,711	0.5%
Investment Income	\$574	0.1%
Fundraising	\$41,216	5.0%
<b>TOTAL Revenues</b>	<b>\$796,629</b>	

<b>Key Expenses</b>		
Salaries and wages	\$210,496	26.8%
Other Employee Benefits	\$10,476	1.3%
Payroll Taxes	\$21,078	2.7%
Accounting	\$22,796	2.9%
Advertising and Promotion	\$10,235	1.3%
Office Expenses	\$3,039	0.4%
Information technology	\$4,841	0.6%
Occupancy	\$207,980	26.5%
Travel	\$25	
Interest	\$133	
Depreciation, depletion and amortization	\$11,482	1.5%
Other Expenses	\$281,505	35.9%
<b>TOTAL Expenses</b>	<b>\$784,086</b>	
<b>NET</b>	<b>\$12,543</b>	

## Challenges

- Once you establish a cultural hub or identity for your community, it can be very difficult to keep your programming and facility inclusive.
- Membership can cause confusion amongst supporters about their level of involvement in financially supporting the center. As members, many feel they have fulfilled their philanthropic obligation, and see the donation as transactional.
- Pricing work that is affordable, accessible, and encourages participation in the arts all while generating enough revenue to meet the capital needs of the facility.
- Our lobby space is too small and is not a comfortable gathering space for the community.
- Due to conflicted interest in programming, there is tension between artistic director and programming board committee.

## Advice

Governance is a critical consideration: create very clear bylaws to avoid confusion between role of board and members.

Grant program can help keep the center more inclusive for smaller companies and organizations that may not otherwise be able to afford the facility.

Make plenty of space for admin offices. Consider growth potential and build everything bigger than you think it needs to be.

## Sources

<https://www.facebook.com/FirehouseCenterForTheArts/timeline>

<http://www.newburyport.com/firehouse-center-arts/>

<http://business.newburyportchamber.org/list/member/firehouse-center-for-the-arts-570>

<http://www.yelp.com/biz/firehouse-center-for-the-arts-newburyport>

<http://www.guidestar.org/FinDocuments/2013/042/649/2013-042649373-0af8cc9a-9.pdf>

<http://www.firehouse.org/>

<http://schwartzsilver.com/portfolio/firehouse-center-for-the-arts/>

## Interviewee

Beth Falconer, Executive Director since 2010

Phone Interview by Katie Oman and Hanako O'Leary 9 September 2015

# **Appendix F**

## **Reference Project Case Study Slides**

# Redmond Cultural Facilities Feasibility Study

Case Studies and Facilities/Site Update

22 September 2015



for the Arts and  
Entertainment  
Industries

# Learning from Others

AMS

PLANNING & RESEARCH

for the Arts and  
Entertainment  
Industries

# Selection Criteria

<b>Priority</b>	<b>Factor</b>	<b>Criteria</b>
1	Venue Type	Multipurpose Cultural Center
2	Largest Space Capacity	200-500
3	Facilities	Performance hall (flat floor preferred); classrooms; exhibition space. Flexibility is important
4	Ownership/ Management	City-owned, City or Nonprofit managed (for-profit not desired)
5	Users	Professional programming with community and nonprofit use.
6	Community Context	Satellite city of MSA (if possible); arts-interested community desirable
7	MSA Population	1m +

# Case Studies

## Lawrence Arts Center

Lawrence, KS (Kansas City)



## Firehouse Arts Center

Newburyport, MA (Boston)



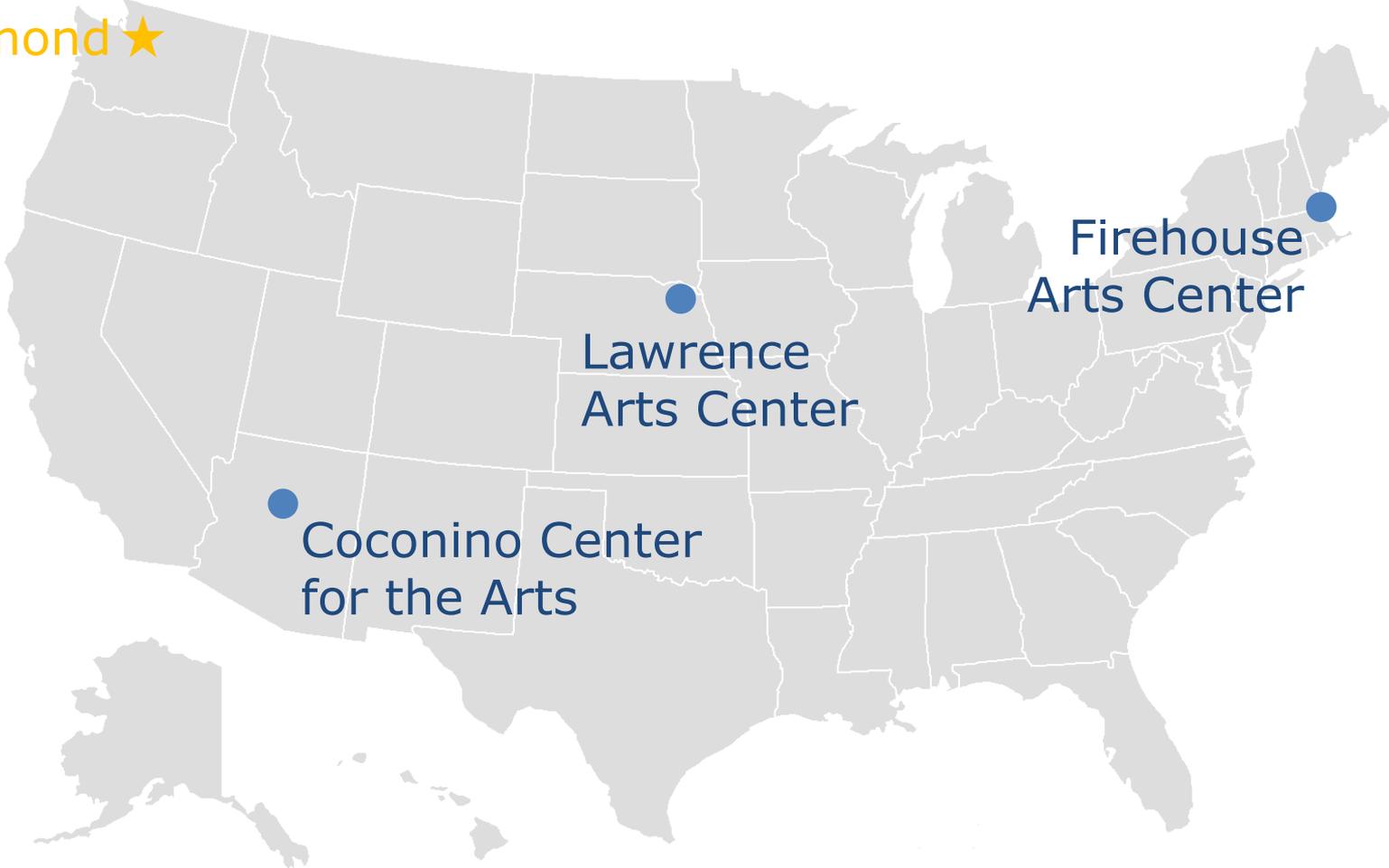
## Coconino Arts Center

Flagstaff, AZ



# Case Studies

Redmond ★



Firehouse  
Arts Center

Lawrence  
Arts Center

Coconino Center  
for the Arts

# Learning from Others

	<b>Lawrence Arts Center</b>	<b>Firehouse Center for the Arts</b>	<b>Coconino Arts Center</b>
City	Lawrence, KS	Newburyport, MA	Flagstaff, AZ
Population	90,811	17,800	68,667
Near	Kansas City	Boston	n/a
Ownership	City	City	City
Operations	Nonprofit	Nonprofit	Nonprofit - Arts Council
Art Exhibitions	✓	✓	✓
Perf Arts Presenting	✓	✓	✓
Perf Arts Producing	✓	✓	
Resident Companies	church	freq. renters	freq. renters
Artist Residencies	✓		(planned)
Education Programs	✓	✓	✓
Foodservice	preferred caterers	on-site restaurant	preferred caterers
Curatorial Control	✓	✓	✓
Maintenance Responsibility	City responsible for exterior envelope, major maintenance, utilities.	Nonprofit	Maintained jointly by city and nonprofit

# Learning from Others

	<b>Lawrence Arts Center</b>	<b>Firehouse Center for the Arts</b>	<b>Coconino Arts Center</b>
<b>Revenues</b>	FY2014	FY2013	FY 2013
Tickets & Events	\$112,337		\$115,302
Education Programs	\$688,653	\$286,508	
Other 'Earned'	\$104,607	\$166,870	\$10,684
Contributions	\$748,698		\$164,438
Government	\$91,668	\$343,251	\$389,580
Other 'Contributed'	\$327,604		\$31,548
<b>TOTAL REVENUES</b>	<b>\$2,073,567</b>	<b>\$796,629</b>	<b>\$711,552</b>
% contributed	56%	43%	82%
% of contributed from government	8%	0% (varies)	67%
<b>Expenses</b>			
Programs	\$769,787	\$281,505	\$45,112
Grantmaking	\$30,025	\$0	\$285,500
Operations	\$1,212,875	\$502,563	\$375,794
<b>TOTAL EXPENSES</b>	<b>\$2,012,687</b>	<b>\$784,068</b>	<b>\$706,406</b>
% Programs	38%	36%	6%
% Grantmaking	1%	0%	40%
<b>NET</b>	<b>\$60,880</b>	<b>\$12,561</b>	<b>\$5,146</b>

# Learning from Others

- \* Venues serve as **local 'home' for arts/culture**; support city-wide events
- \* **Performing arts presenting** (and producing) and **visual art exhibitions** are principal programs
- \* Programming **blends professional** (e.g. national calls for artists; presented touring acts) **and community-based** sources (local renters, participatory programs, etc.)
- \* **Education programs** engage locals and can provide earned income stream
- \* Venues rely on **significant contributed income streams.**

# Lawrence Arts Center



## Summary

- City-owned
- Nonprofit managed
- +- \$2m budget, 56% contributed, 8% from city
- Lawrence is 35 miles from Kansas City
- Strong relationship with University of Kansas
- A home for the arts in Lawrence

# Lawrence Arts Center



## Programs

- Blend of professional (presented/produced) and community (mostly rental) programming
- Robust education programs
- Two artist residencies, many project-based residencies
- Center is a base for city-wide arts activities (e.g. outdoor festivals)
- KU partnership: MoCoLab

# Lawrence Arts Center



## Challenges

- Advocating for city support
- Funding building upkeep
- Program growth vs space availability

## Opportunities

- Education programs provide steady revenue stream
- Growing arts 'scene' in Lawrence
- Creative placemaking grant

# Lawrence Arts Center



# Lawrence Arts Center



## Visual Arts Exhibitions

# Lawrence Arts Center



**Event Rentals**

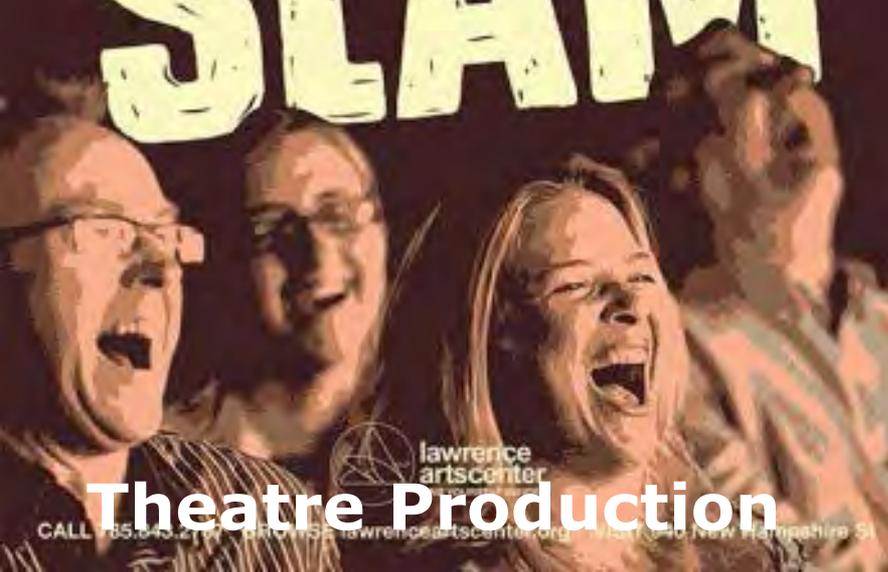
# Lawrence Arts Center

music | 7 p.m. stories | 7:30 p.m.

A new theme the second Friday of every month  
in the blackbox at the Lawrence Arts Center  
Donations encouraged - only for available.

the audience  
as performer

# STORY SLAM



lawrence  
artscenter

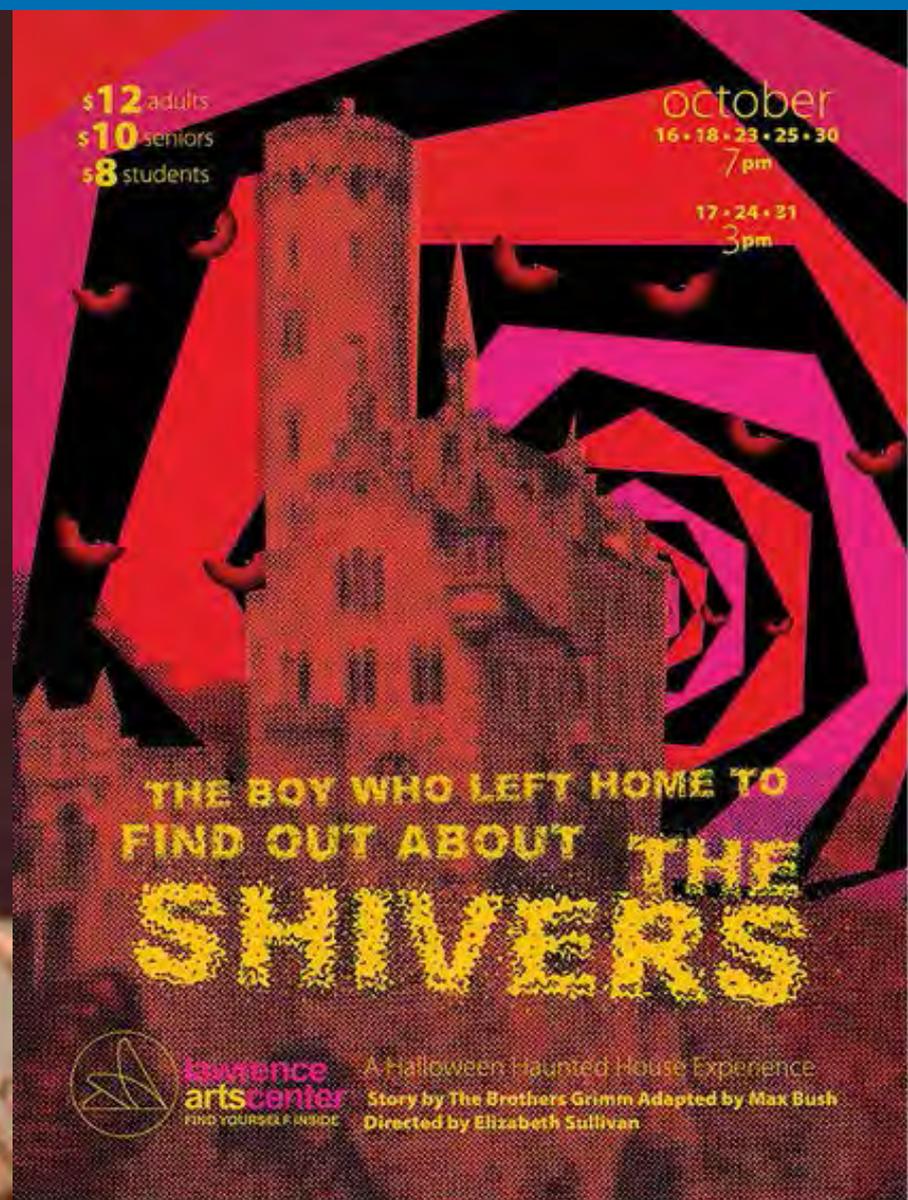
## Theatre Production

CALL 603.643.2100 OR VISIT [www.lawrenceartscenter.org](http://www.lawrenceartscenter.org) 100 North Main Street, Lawrence, MA 01840

\$12 adults  
\$10 seniors  
\$8 students

october  
16 • 18 • 23 • 25 • 30  
7pm

17 • 24 • 31  
3pm



THE BOY WHO LEFT HOME TO  
FIND OUT ABOUT THE  
**SHIVERS**



lawrence  
artscenter  
FIND YOURSELF INSIDE

A Halloween Haunted House Experience  
Story by The Brothers Grimm Adapted by Max Bush  
Directed by Elizabeth Sullivan

# Lawrence Arts Center

SEPTEMBER, 2015

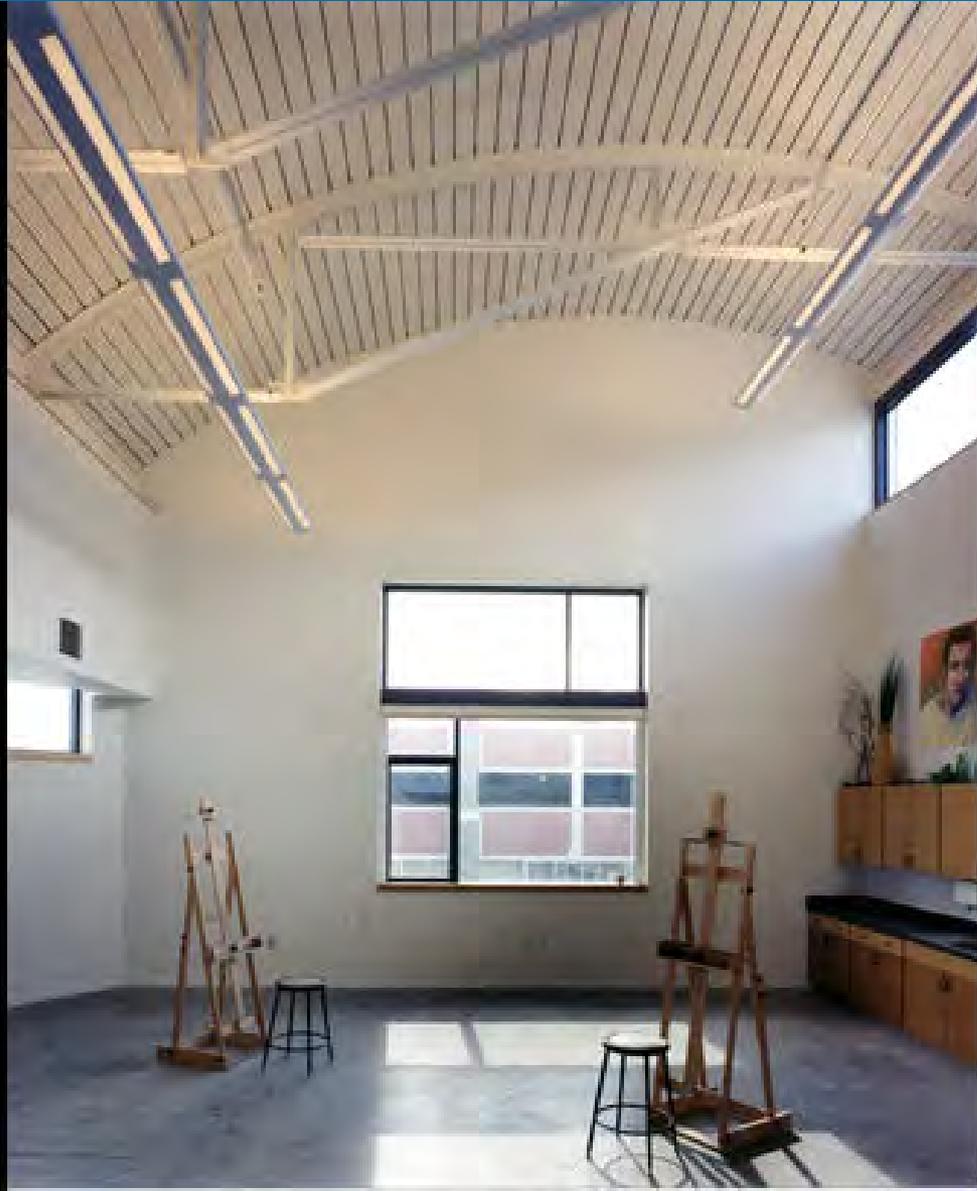


*SORT OPTIONS*



## Film Series

# Lawrence Arts Center



## Artist Studios

# Lawrence Arts Center



**Artist Residency - Printmaking**

# Lawrence Arts Center

## The headliner



**ARTIST TONJA TORGERSON, ONE OF THE TWO PARTICIPANTS IN THE LAWRENCE ARTS CENTER'S ARTIST IN RESIDENCE PROGRAM,** works on a piece of line art Wednesday afternoon that will be part of her upcoming exhibition at the center, "Memento Mori." Both Torgerson's exhibition and "Inner Sifting," the exhibition from Gunyoung Kim, the center's other artist in residence, will be on display from June 26 through July 26 at the Lawrence Arts Center, 940 New Hampshire St.

Richard Gwin/  
Journal-World Photo

## Project Residencies

# Lawrence Arts Center



Preschool programs

# Lawrence Arts Center

**PARTY LIKE IT'S 1975** free and open to the public

**5 TO 9PM  
FINAL FRIDAY  
SEPTEMBER**

**40<sup>th</sup> ANNIVERSARY**  
lawrence  
artscenter



**25 STREET PARTY!**

celebrate your community arts center's 40th anniversary!

## City-wide events

# Lawrence Arts Center



**KU MoCoLab**

# Lawrence Arts Center



**KU MoCoLab**

# Lawrence Arts Center



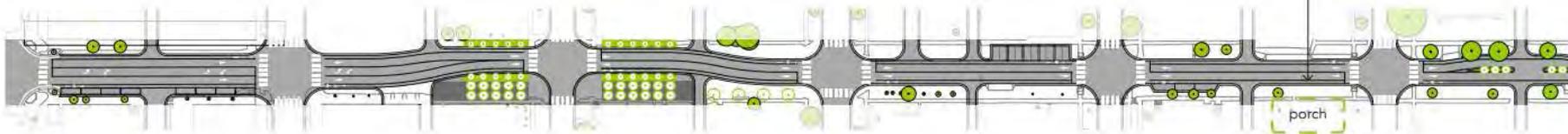
*"The \$500,000 grant will support the project that will engage artists with urban designers and civil engineers to reimagine and transform the six-block stretch of 9th Street that connects the Warehouse Arts area with Downtown Lawrence.*

*ArtPlace will fund the creation of art that will become a permanent part of the streetscape as well as the reinvention of the street as a platform for visual and performance art not yet imagined."*

# Lawrence Arts Center

## 18 INTEGRATE ART INTO THE PROCESS: JARRETT MELLENBRUCH // // // //

Upon receiving a commission to work as an integrated artist, Jarrett quickly arranged to stay in the Lawrence Art Center's artist residence within the East Lawrence Neighborhood. Jarrett took to the streets of the neighborhood and downtown and quickly became fascinated with the role front porches play within neighborhood gatherings and interactions. Jarrett's conceptual proposal is perfectly simple: to create a front porch for East 9th Street. His proposed location is the yard just north of New York Elementary and east of St. Luke AME, between New York Street and New Jersey Street.



## Complete Street: 9<sup>th</sup> Street corridor

# Lawrence Arts Center



**Complete Street: art platforms**

# Firehouse Center for the Arts



## Summary

- City-owned
- Nonprofit managed
- +- \$0.8m budget, 43% contributed (low city contrib)
- Newburyport is 35 miles from Boston
- Adaptive reuse of community asset
- Integral to downtown street 'life'

# Firehouse Center for the Arts



## Programs

- Growing presenting schedule (regional partnerships)
- Local renters mount theatre productions
- Self-produced theatre
- Education programs focus on youth and seniors
- Time in space offered to local groups at reduced rates or (sometimes) free

# Firehouse Center for the Arts



## Challenges

- Caring for aging buildings
- Keeping ticket prices affordable
- Governance/programming tension



## Opportunities

- Building seen as civic asset
- Presenting programs
- Partnership with on site restaurant

# Firehouse Center for the Arts



**Exterior**

# Firehouse Center for the Arts



**Exterior**

# Firehouse Center for the Arts



## Downtown Newburyport

# Firehouse Center for the Arts



**Not Your Average Joe's Restaurant**

# Firehouse Center for the Arts



**Gallery Space**

# Firehouse Center for the Arts



## Gallery Events

# Firehouse Center for the Arts



September 16, 2015  
through  
October 11, 2015

**Richard Hackel**  
Time-lapse Panorama

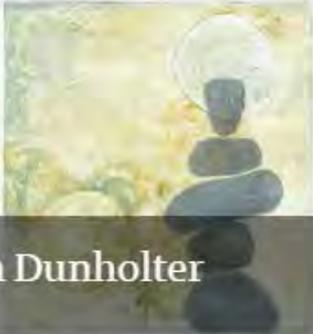
[More Info >](#)



August 19, 2015  
through  
September 13, 2015

**Ricardo Maldonado**  
Natural Colors

[More Info >](#)



July 22, 2015  
through  
August 16, 2015

**Soosen Dunholter**  
Balance

[More Info >](#)

## Exhibitions

# Firehouse Center for the Arts



## On the Funny Side of the Street

with Christine Lavin & Don White

One Show Only

Friday

**September 25, 2015**

**8:00pm**

[Info & Tickets >](#)



## Birds on the Wire

An evening with Lynne Taylor, Brian King and Kristen Miller

One Show Only

Saturday

**September 26, 2015**

**8:00pm**

[Info & Tickets >](#)

**Presenting**

# Firehouse Center for the Arts

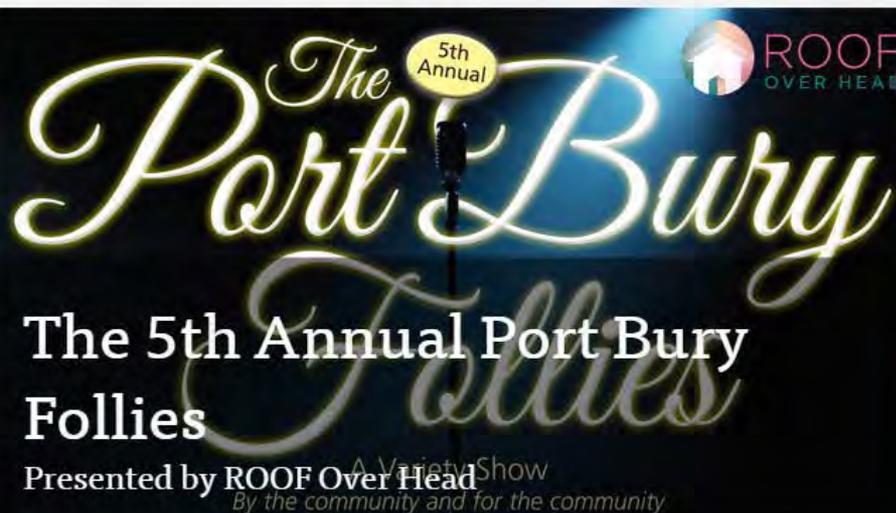


**Into the Woods**  
Presented by Acting Out Productions

Multiple Shows  
Friday  
**October 2, 2015**

**7:00pm**

[Info & Tickets >](#)



**The 5th Annual Port Bury Follies**

Presented by ROOF Over Head  
A Variety Show  
By the community and for the community

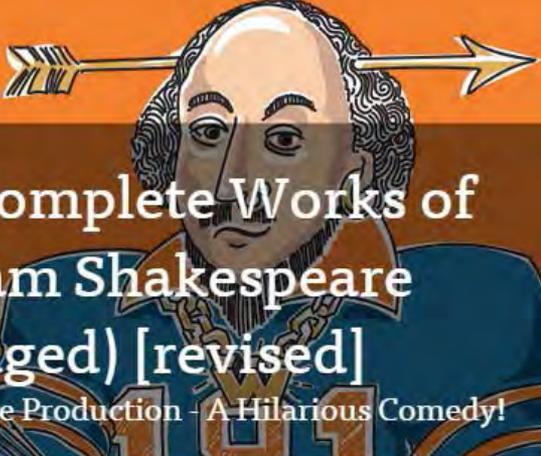
One Show Only  
Friday  
**October 9, 2015**

**6:00pm**

[Info & Tickets >](#)

**Rentals**

# Firehouse Center for the Arts



The Complete Works of  
William Shakespeare  
(abridged) [revised]  
A Firehouse Production - A Hilarious Comedy!

Multiple Shows  
Thursday  
November 12, 2015

8:00pm

[Info & Tickets >](#)

**Producing**

# Coconino Arts Center



Photo by Rob Dutton



Photo by Rob Dutton

## Summary

- City-owned
- Nonprofit managed (Arts Council)
- +- \$0.7m budget, 82% contributed (67% from city)
- Center would prefer to be downtown
- Strong rental demand
- Center would offer artist residencies if possible

# Coconino Arts Center



Photo by Rob Dutton



Photo by Rob Dutton

## Programs

- Robust visual arts exhibition series (national calls for artists)
- Concert music presenting season (regional acts) (35%)
- Theatre rented by local groups (65%)
- Workshops taught by local/regional artists
- Arts Council also manages grant program

# Coconino Arts Center



Photo by Rob Dutton



Photo by Rob Dutton

## Challenges

- Building quality/upkeep
- Short-staffed
- Expansion in programs requires more space
- Limited event space

## Opportunities

- Flagstaff arts scene robust, primed for growth
- Opportunities to engage artists

# Coconino Arts Center



**Exterior**

Photo by Rob Dutton

# Coconino Arts Center



**Exhibit Gallery**

Photo by Rob Dutton

# Coconino Arts Center



**Exhibit Gallery**

# Coconino Arts Center



**Exhibit Gallery**

# Coconino Arts Center



**Theatre - Presenting**

# Coconino Arts Center



**Theatre - Rentals**

# Coconino Arts Center



**Theatre - Rentals**

# Coconino Arts Center



**Community Art Programs**

# Learning from Others

- \* Venues serve as **local 'home' for arts/culture**; support city-wide events
- \* **Performing arts presenting** (and producing) and **visual art exhibitions** are principal programs
- \* Programming **blends professional** (e.g. national calls for artists; presented touring acts) **and community-based sources** (local renters, participatory programs, etc.)
- \* **Education programs** engage locals and can provide earned income stream
- \* Venues rely on **significant contributed income streams.**

# For consideration in Redmond

## \* **Activating the building**

- *Rentals/presenting/(producing?)*
- *Presence of City programs*
- *Artist residencies?*
- *Outdoor event support*

## \* **Educational program offerings**

- *Partnerships?*
- *Parks & Rec?*

## \* **Management & governance responsibility**

- *Programming*
- *Policies & Procedures (ops management)*
- *Facility Upkeep*

# Next Steps

\*Activity Profile

\*Management & Operating Plan

\*Pro Forma Operating Model

# next: Facilities & Site. . .

AMS

PLANNING & RESEARCH

for the Arts and  
Entertainment  
Industries

# **Appendix G**

## **Phase 3 City Council Update Slides**

**5 January 2016**

# Redmond Cultural Facilities Feasibility Study

Phase 3 Council Update  
5 January 2016



# Study Overview

1

- What **demand** exists for arts and cultural space in and around Redmond, given existing and planned cultural infrastructure?
- If demand exists for new cultural facilities, **what type of spaces or structures** might best accommodate this demand?

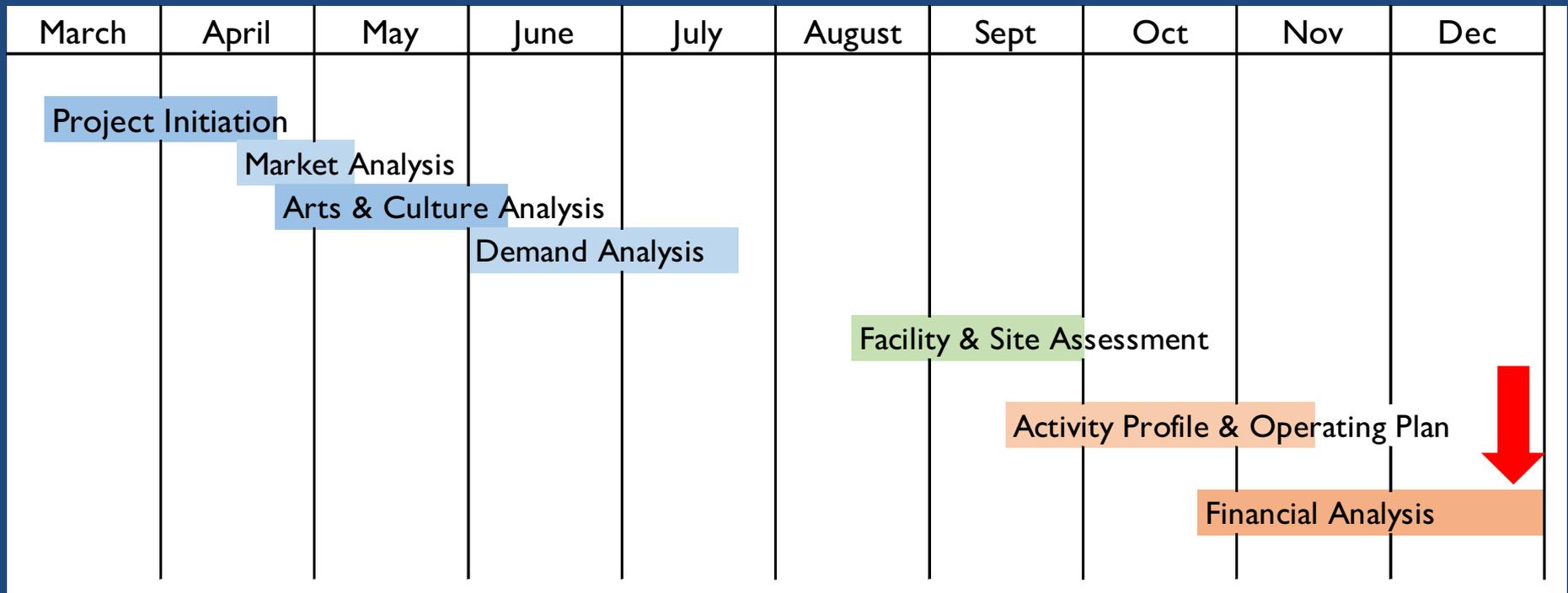
2

- **Where** could such a facility be located? **How much** might it cost to build?

3

- What would be an appropriate **business and financial plan** for a new facility?

# Study Overview



# Civic Priorities

## Attract & Retain

- High-quality Programming
- Inclusive / Global Cultures
- Nightlife, Weekends

## Quality of Life

- Participatory Activities
- Range of Creative Opportunities
- Inclusion

## Downtown Vibrancy

- Round-the-Clock Activity
- Focus on Downtown
- Draw Dining and Retail

## Identity

- Authenticity & Uniqueness
- Attract Artists
- Grow Redmond's 'soul'

# Gap Analysis Results

Improve 'vertical integration' of City arts programs

Consider including selected rec program space in 'cultural home'

Consider film, contemporary music, informal activity

Consider opportunities for non-traditional, multipurpose performance venues

Consider scenarios for arts destination downtown

ID ways to strengthen Redmond's arts 'brand'

ID ways to attract/ strengthen cultural providers

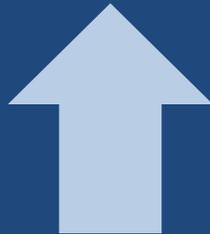
Consider space availability for nonprofit cultural providers

Continued investment in outdoor events warranted

Consider power, water, support space for most-used outdoor

# Prioritization – Overall

1	2	3	4	5	6
Iconic Arts Center	Multipurpose Cultural Center	Co-locate with Athletic Ctr	Artist Live/Work	Small/Mobile Structures	Park Infrastructure
● ● ● ● ●	● ●	● ●	● ● ● ● ● ● ● ●	● ● ● ● ● ● ● ●	● ● ● ● ● ●
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# Redmond Cultural Center

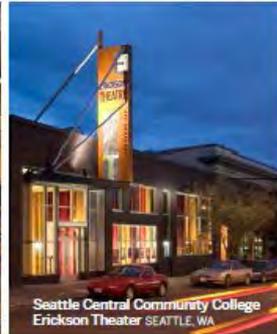
**25,000 – 27,500 gross sf**  
**\$29.3 – \$32.4 million**  
(new construction)

**\* Flexible Performance Space**

**\* Flexible Exhibition Space**

**\* Flexible Education/Arts Space(s)**

All spaces serve **multiple purposes** to make the center efficient, vital, and as active as possible.



# Operating model

- \* **Activity model drives attendance projections**
- \* **Attendance, activity, local cost data influence pro forma revenues/expenses**
- \* **Assumptions in financial model:**
  - \* *Model describes added costs, not existing programs*
  - \* *Concessions operated by subcontractor*
  - \* *Users have option to use Center box office*
  - \* *Center modeled as city-operated*

# Activity Profile

## Activity:

- \* Touring performances & exhibits
- \* Local arts & cultural performance, exhibits, etc.
- \* Capstone Parks & Rec program events
- \* Other arts & culture activity



# Activity Profile

## Redmond Cultural Facility

### SCHEDULE 5A : ACTIVITY - FLEXIBLE PERFORMANCE SPACE

Flexible Performance Space	Performance / Event Days	Tech/ Reh/ Strike
----------------------------	--------------------------	-------------------

#### Presented Performances

Genre 1 - Popular Music	12	
Genre 2 - Theatre Performances	18	12
Genre 3 - Music Performances	8	4
Genre 4 - Film / Lecture Series	8	
Genre 5 - Informal Bands, Contemporary Music	8	

**Subtotal, Professional Performing Arts**      **54**      **16**

#### Local Nonprofit Performances

Genre 1 - Music	12	6
Genre 2 - Theatre	12	6
Genre 3 - Performance Events with Food	12	6
Genre 4 - Other Performance Events	12	6
Genre 5 - Other Community Social Events	12	

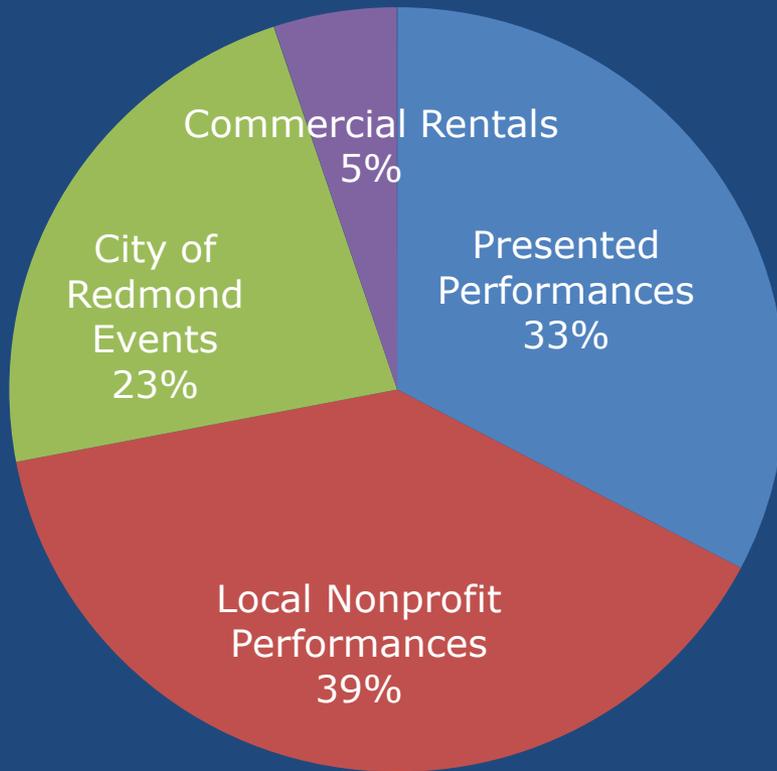
**Subtotal, Nonprofit Rentals**      **60**      **24**

#### City of Redmond Events

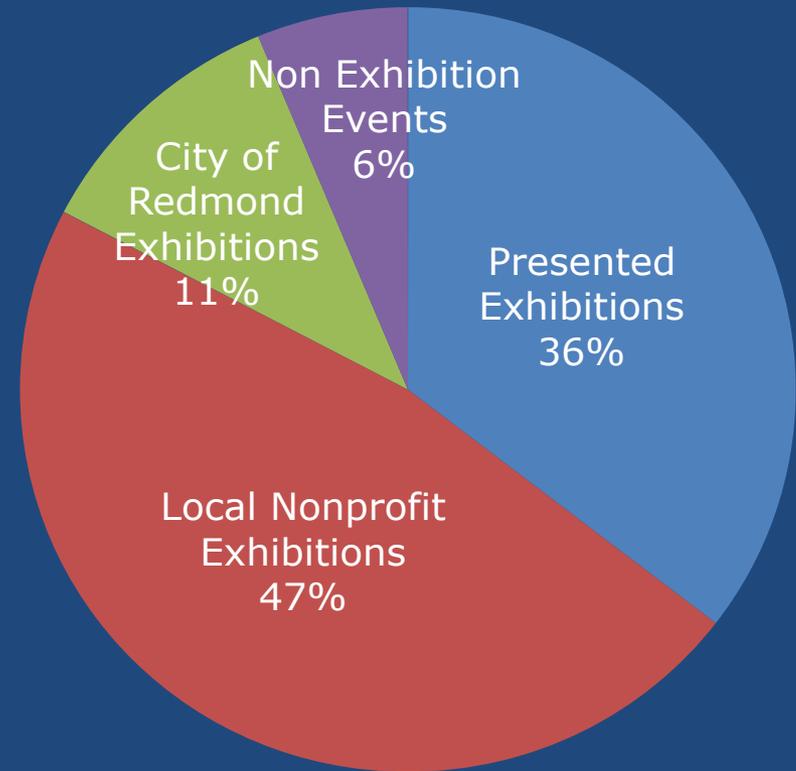
Childrens Recitals (2x/ year)	4	2
Teen Concerts/Recitals	4	2
Adult Recitals	4	2
Senior Recitals	4	2

# Activity Profile

## Flexible Performance Space



## Flexible Exhibit Space

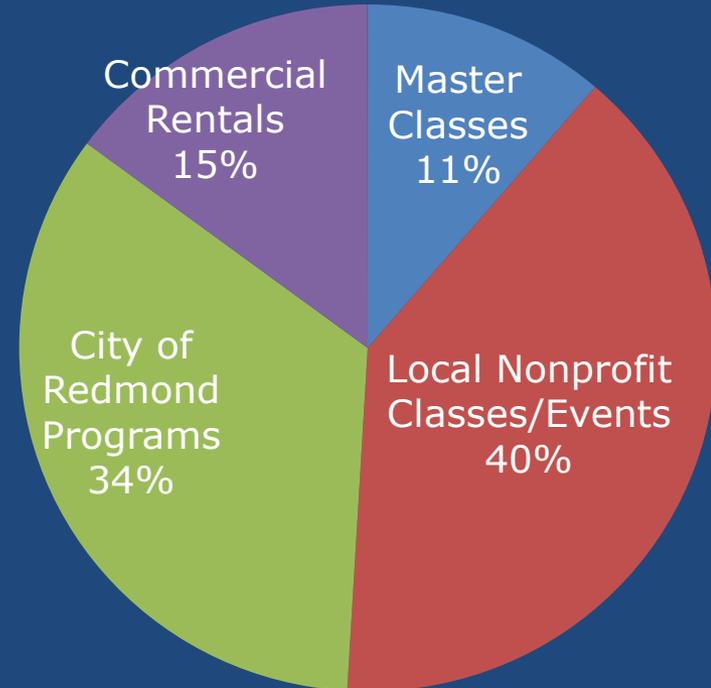


# Activity Profile

## Flexible Arts Space 1



## Flexible Arts Spaces 2&3



# Operating Structure

## Three options:

- \* Enter into an operating agreement with an existing or new nonprofit organization
- \* Hire a commercial firm to operate
- \* Operate by City

# Pro Forma Model

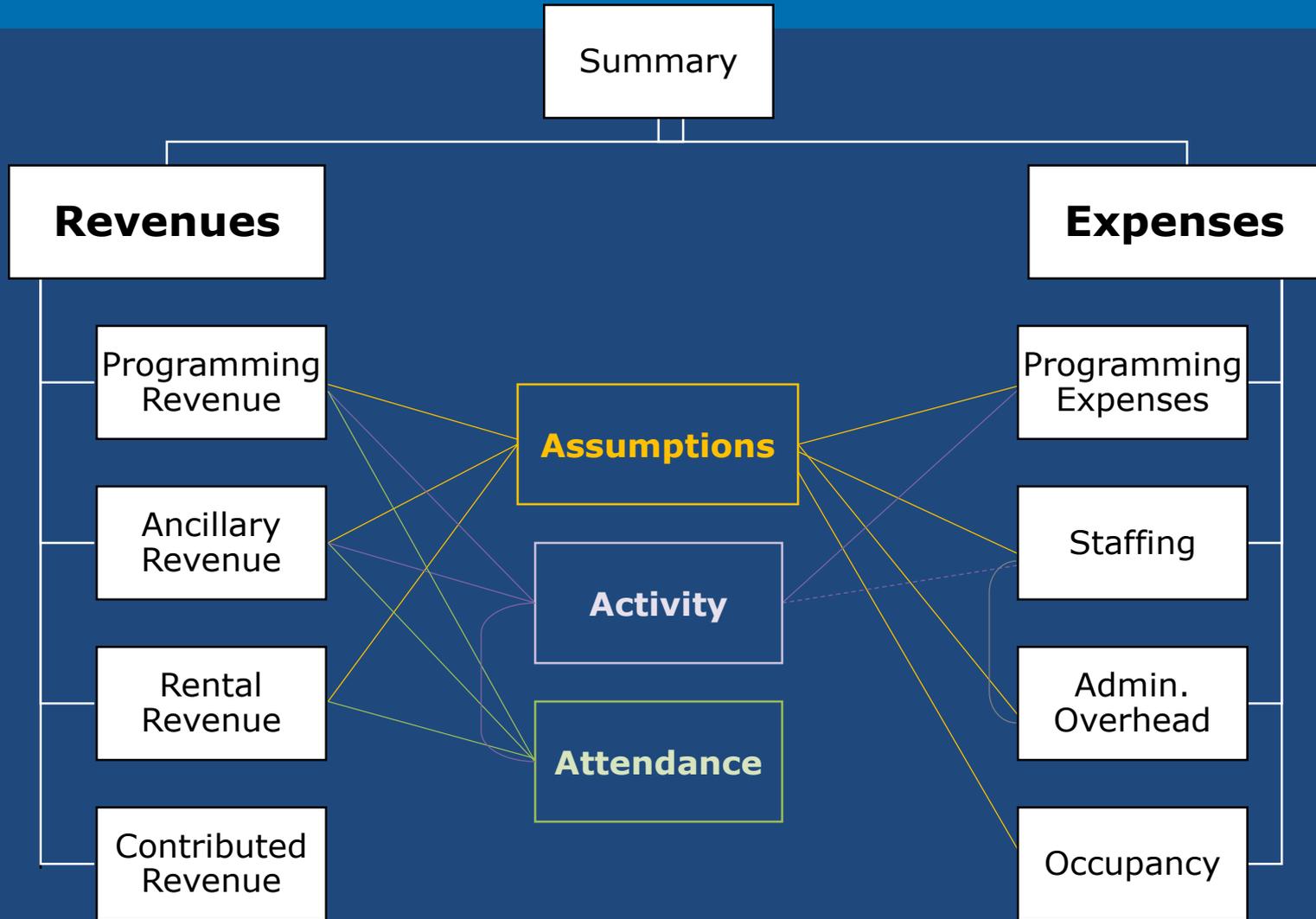
## Revenues

- \* Program Revenue  
(ticket sales)
- \* Ancillary Revenue  
(concessions, etc.)
- \* Rental Revenue  
(space use)
- \* Contributed Revenue  
(membership, sponsorships,  
other support)

## Expenses

- \* Program Expenses  
(artist fees, marketing, etc.)
- \* Staffing  
(salaries, taxes, benefits)
- \* Administrative  
Overhead
- \* Occupancy Costs  
(utilities, maintenance  
reserve, etc.)

# Pro Forma Model



# Pro Forma Model

## Operating Revenues

Programming Revenue	\$427,500
Ancillary Revenue	\$137,700
Rental Revenue	\$84,400

**Total Operating Revenues** **\$649,600**

## Contributed Revenues

Memberships & Sponsorships	\$22,500
Operating Support	\$600,000

**Total Contributed Revenues** **\$622,500**

**TOTAL REVENUES** **\$1,272,100**

## Operating Expenses

Programming Expenses	\$358,000
Personnel Expenses	\$578,000
Administration	\$52,800
Building Occupancy	\$190,500

**TOTAL OPERATING EXPENSES** **\$1,179,300**

*Expense Contingency* *\$59,000*

**TOTAL EXPENSES** **\$1,238,300**

# Operating Funding

## \*Municipal Support

## \*Membership program

- engage citizens
- provide pathway to becoming donors

## \*Nonprofit “Friends of . . .” group

- Capital campaign donations
- Operational philanthropy
- Needs mission: focus on artists & arts orgs?

# Funding Sources

- \*Individual and Corporate Giving present best opportunities for growth.**
- \*Corporate giving often based on shared objectives – leverage 'attract and retain' as key message.**
- \*Some government & foundation support available, but not a primary funding source.**

# Next Steps – Near Term

- 1. Identify project champion(s)**
- 2. Form a Nonprofit Support Organization**
- 3. Identify a Site**
- 4. Complete a Concept Design**
- 5. Test Fundraising Feasibility**
- 6. Grow Arts & Culture In Redmond**

# Next Steps – Longer Term

1. Public Funding Strategy
2. Design Phase
3. Construction
4. Operations



# Opportunities & Observations

- \*City of Redmond arts & culture program integration**
- \*Support & Space for Nonprofit Arts Organizations**
- \*Related City Projects & Facilities**
- \*Outdoor Programming**

**Thank you**

**AMS**

PLANNING & RESEARCH

for the Arts and  
Entertainment  
Industries

# **Appendix H**

## **Collins Group Funding Review Memo**

November 30, 2015

**To:** Katie Oman, Director, AMS Planning & Research  
**From:** Aggie Sweeney, CFRE, President & CEO, and Barbara Maduell, CFRE, Senior Consultant, Collins Group, a division of Campbell & Company  
**Re:** Memorandum of Possible Funding Sources for Proposed City of Redmond Cultural Facility

## Introduction

As part of Phase 3 of a Cultural Facility Feasibility Study for the City of Redmond, in October 2015 AMS Planning & Research (“AMS”) retained Collins Group (“Collins”) to outline possible funding sources for the project. The following memorandum provides an overview of the current philanthropic landscape, both nationally and regionally, and a high-level overview of government, foundation/corporate, and private sources that might be available for the project.

Collins has reviewed AMS’ Market Analysis Report and Phases I and II City Council Briefs. For additional information, Collins also met with Katie Oman and representatives from the City of Redmond (“the City”) to learn more about the project genesis and plans. The following factors are particularly relevant to our outline of funding sources:

- Four of the City’s civic priorities are relevant to a cultural facility: attract and retain talent, quality of life, downtown vibrancy, cultural identity.
- The Market Analysis Report provides a picture of a growing suburban city with an affluent, diverse demographic base inclined to participate in certain arts and culture activities.
- Phase I of the study recommends a multipurpose cultural center with flexible performance, exhibition, and studio/classroom spaces.
- An ownership and operating model has not been finalized; the project would likely be either city-owned/managed/operated or city owned/nonprofit managed/operated. In either case, for donors to receive a charitable deduction, the City will need to partner with a 501(c) (3) entity.
- The operating pro forma will be built upon ticket sales, memberships, rentals, and significant municipal support. Contributed revenue would be expected to supplement municipal support.
- While the downtown core has been identified as a desirable location for a future facility, site criteria have not yet been finalized.

Information provided in this memo is intended to inform, rather than duplicate, the comparative data about other regional arts and culture facilities that AMS has already provided to the City.



## National Philanthropic Landscape

The most recent Giving USA report was published in June, 2015. According to the study, in 2014, \$358.38 billion in charitable contributions were made nationally. The report provided data on both the sources and recipients of contributions:

2014 Giving by Source	% of total charitable contributions
Individuals	72%
Foundations (community, independent, and operating)	15%
Corporations	5%
Bequests from individuals	8%

All sources of giving saw positive changes from 2013 to 2014, indicating that the dip in giving during the Great Recession of 2009 has recovered. Family foundations were the fastest growing kind of foundation support. The report confirms that almost 80% of philanthropic gifts come from individuals, either during their lifetimes or through their estates. Corporate giving, represented .7% of pretax profits, the lowest percentage in 40 years, as corporate giving continued to shift from community support to support aligned with business objectives. Giving sources are not reported separately for specific sectors.

2014 Giving by Recipient	% of total charitable contributions
Religion	32
Education	15
Human Services	12
Gifts to Foundations	12
Health	8
Public-society benefit	7
Arts, Culture, and Humanities	5
International Affairs	4
Environment/animals	3
Gifts to individuals	2

All of the recipient sectors saw overall growth in giving from 2013 to 2014. While giving to arts, culture, and humanities organizations overall represented a small percentage of total charitable dollars, the sector grew faster than the others, increasing by 7.4%, or the highest value for the sector ever, in inflation-adjusted dollars. Also, more organizations in the sector saw increases in giving than in 2013, with online giving showing particularly strong growth.

Specific data comparable to the Giving USA report does not exist locally. Anecdotally and based on Collins' current work with over 50 nonprofits, the regional philanthropic landscape overall is strong, with organizations across the nonprofit sector planning for, undertaking, or completing capital and other major fundraising campaigns. At the same time, in our experience the arts and culture sector is heavily reliant on high net worth individual donors, with giving going down in recessions more than other



sectors. This makes reserve and permanent endowment funds important to the long-term financial sustainability of arts and culture organizations.

## Outline of Potential Funding Sources

The following overview is intended to inform the City of potential capital funding sources for a future cultural arts facility. Funding sources for ongoing operations will depend on the ownership/management/operating model and an operating pro forma and are not addressed in detail here.

### Government Sources – City, County, and State

- **City** – funding for recent arts and culture and other capital projects in the region and statewide come from a variety of municipal resources, including but not limited to the following: a public facilities district (PFD), either existing, or established to fund a specific project, reserve funds, bond issuance, or funds dedicated in the city’s operating or capital budget.
- **King County** – 4Culture Arts Facilities Program grants funds to organizations and local governments to acquire, build, or renovate specialized arts space. Offered every 12-24 months, in the past two decades King County has invested more than \$40 million in quality projects. Public agencies, other than K-12 schools or school districts, with at least a two-year operating history, tax-exempt status, and demonstrated long-term site control are eligible to apply. Less than one-quarter of grant proposals are funded and partial awards are common. Applicants must expect to be able to spend awards within 36 months and can reapply after demonstrating progress toward the goal. In 2013, 4Culture awarded 31 capital grants; two in the amount of \$100,000 (KidsQuest Children’s Museum and Friends of KEXP), and the remainder between \$5,000-50,000.

In 2015 4Culture and King County government partnered in the Building for Culture (BFC) grant cycle to make an exceptional \$28 million investment in regional cultural infrastructure. Readiness of the project to complete within 36 months, community need and benefit, and capital campaign progress were key considerations. Projects listed below, in alphabetical order, received awards of \$1 million or more.

2015 4Culture Building for Culture grants of \$1+ million	
Grantee	Amount of Award
Burke Museum Association	\$1,400,000
City of Federal Way	\$2,000,000
Friends of KEXP	\$1,000,000
Highline Historical Society	\$1,000,000
KidsQuest Children’s Museum (eastside)	\$1,000,000
Nordic Heritage Museum	\$1,000,000
Performing Arts Center Eastside (Tateuchi Center)	\$1,200,000
Preservation Action Fund	\$2,000,000
Seattle Art Museum	\$1,400,000



Seattle Opera	\$3,000,000
Vashon Allied Arts	\$1,000,000

Although many of these projects have not made their specific sources of revenue public, they include a combination of the following: city, state, and federal funding; parks levy, tax-exempt bonding; sale of estate assets; long-term debt financing; and private philanthropic support. Private philanthropic support ranges from less than five percent to more than 50 percent of the project goals.

In addition to Federal Way, seven other cities were awarded 4Culture BFC awards ranging from \$10,000 to \$200,000: Auburn, Bellevue, Burien, Des Moines, Duvall, Shoreline, and Tukwila.

- Washington State** – the Department of Commerce has a competitive grant program to fund capital projects for arts and culture organizations . Funded by the sale of state bonds, BFA funds the construction, renovation, or acquisition of performing arts, art museums, and cultural facilities. The program is funded on a biennial cycle and can fund up to 20% of eligible project costs. Proposals are ranked by the BFS Advisory Board and then recommended for inclusion in the commerce department’s Capital Budget for the following year. In the 2015-17 biennium state budget, the BFA program awarded \$7.9 million to 13 capital projects across the state. Funds are released against receipts going back to 2012.

<b>2015-17 Washington State Department of Commerce Building For the Arts Grants</b>	
<b>Grantee</b>	<b>Amount of Award</b>
ACT Theatre	\$303,000
Admiral Theatre Foundation	\$100,000
Cornish College of the Arts – Playhouse Theatre	\$232,000
Friends of KEXP	\$1,866,000
Hands On Children’s Museum	\$393,000
KidsQuest Children’s Museum	\$2,000,000
Kirkland Arts Center	\$48,000
Music Works Northwest	\$64,000
Nordic Heritage Museum Foundation	\$2,000,000
San Juan Islands Museum of Art	\$650,000
Seattle Theatre Group	\$131,000
Spokane Children’s Theatre	\$18,000
Uniontown Community Development Association	\$123,000

At the time an application is submitted, among other requirements applicants must be registered as a nonprofit organization, have a board of directors, have control of the project site (or a lease of 10 years or more), demonstrate significant public access to the facility, and have made substantial progress (at least 50%) in an active capital campaign dedicated to the project.

In addition to the commerce department programs, direct appropriations may also be placed in the capital budget by the Governor or Legislature. Although the department administers them, it has no role in the selection of targeted capital facilities grant recipients. Recipients may include local governments,



tribes, and nonprofit organizations. Like the BFA program, appropriations for capital facilities are reimbursement-style grants, with funds distributed as expenses accrue. Requirements include but are not limited to site control and a documented financial ability to complete the project.

### **Philanthropic support from foundations and corporations**

In addition to government funding sources, the City's proposed cultural facility may qualify for philanthropic support from foundations and corporations. In the event the project is owned, managed, and operated by the City, most foundation funders are less likely to award funding. Also, while every foundation or corporate giving program will have its own application guidelines and award criteria, in general foundation funders will want organizations to demonstrate community need and benefit, significant progress in a capital campaign (and a plan to complete the campaign), and an operating pro forma to sustain the project after facilities are completed. In descending order by total assets and giving, the following Washington-based private foundations have a history of providing support for capital projects in the arts and culture sector and could be prospects for the City's project:

- M.J. Murdock Charitable Trust
- The Norcliffe Foundation
- The Foster Foundation
- PACCAR Foundation

In the past decade, the Paul G. Allen Foundation has provided highly visible capital and operating support for arts and culture organizations; however, in recent years, the foundation has shifted priorities and is not likely to be a funder.

Corporations may support capital funding to arts and organizations in one or all of three ways: through a foundation, a corporate giving program, and/or an employee-matching program. As with foundation funders, corporate funders will want to leverage philanthropic support from individuals. Microsoft Corporation and its matching contributions program have provided support for arts and culture projects throughout the region. Currently, employee gifts are eligible for a total of \$15,000 annually in matching dollars. The company has a tradition of supporting arts organizations in communities where employees live and work; however, the program currently is in a transition and past funding priorities may not continue.

In addition to corporations, small businesses in Redmond and adjacent communities may also be a source of broad-based support for the proposed project. While these contributions may be mission-driven, in many cases the rationale for giving will be business-driven and seen and come out of a marketing, vs. philanthropic budget. Recent arts and culture projects have offered corporate partnerships and naming rights that provide opportunities to serve the community and also build brand awareness.



## Philanthropic support from individuals

As noted throughout this memorandum, a fundraising effort for the City's proposed cultural facility likely will include philanthropic gifts from individuals. The percentage of private support from individuals – and the number of individual donors – varies tremendously across recent and current projects: from a lead gift making the project possible, to a broader-based, community campaign representing a small percentage of the budget. In most cases, philanthropic support follows a traditional “gift pyramid,” where 20% of donors and/or funders give at least 80% of the private fundraising goal.

A key consideration in determining the potential for private support will be the mission, leadership, and credibility of the nonprofit organization or “friends of” association leading the effort. In many cases, new cultural facilities owned in whole or in part by a municipal entity are the outcome of program or mission expansion by an existing nonprofit organization. In others, a friends organization was created to secure capital and/or operating funds.

Due diligence about the potential for private philanthropic support would require a campaign feasibility study as a next step. In addition to providing the City with a realistic fundraising goal, a study would engage top prospects and the broader community to answer:

- Is the project vision perceived as urgent, compelling, and responsive to community needs? Which aspects of the plans are most, and least compelling? Are there other priorities the City of Redmond should be focusing on, instead of the project?
- What leadership structure will lead the private fundraising campaign? Who are the individuals who will step up as champions to lead the campaign? Who do others think will need to step up as leaders to ensure a campaign is successful? What roles will Redmond's civic and opinion leaders play to inspire individuals to participate?
- How will prospects for lead gifts be identified? What will inspire them to make transformational gifts?
- How will a private fundraising campaign be staffed? What other systems and structures will need to be in place to solicit and secure gifts?

Although nonprofit organizations in Redmond and the surrounding areas have had small capital campaigns for specific projects, there has not been a previous community-wide fundraising effort for a significant arts and culture capital project. At the same time, the market demographic suggests that Redmond residents may have the capacity, if not yet the inclination, to support a new cultural facility. Above-average incomes, interest in and participation in the arts, and a desire for an increased “sense of place” all present opportunities for a new level of philanthropic giving. Also, as Eastside communities have distinct identities, it is unlikely that donors beyond Redmond would contribute to a new cultural facility. Proactive prospect research could identify potential prospects given prior giving history.



## Conclusion

As the City of Redmond continues with its planning for a new cultural arts facility, the following factors should be “top of mind:”

- the philanthropic landscape for established arts organizations is robust nationally and regionally, yet is untested in Redmond
- the ownership and operating model of a new cultural facility will impact the sources, and potential amount of, capital funds and operating support available
- a campaign feasibility study of top prospects and funders will test key messages for the project, cultivate and identify campaign leaders, and provide a realistic philanthropic goal for capital and ongoing operating support.

Collins thanks AMS for the opportunity to provide this outline of potential funding sources for the City of Redmond’s proposed cultural arts facility. We look forward to being of service as facilities, program, and operational plans unfold.

# **Appendix I**

## **Pro Forma Operating Forecast**

<b>Redmond Cultural Facility</b>	
<b>OPERATING PRO FORMA</b>	
CONTENTS	Schedule #
Assumptions	Schedule 1
SUMMARY PRO FORMA	Schedule 2
REVENUE SUMMARY	Schedule 3
EXPENSE SUMMARY	Schedule 4
Activity - Flexible Performance Space	Schedule 5A
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Attendance	Schedule 6
Facility Rental	Schedule 7
Chargebacks	Schedule 8
Programming Revenue	Schedule 9
Ticketing & Facility Fees	Schedule 10
Membership & Sponsorships	Schedule 11
Ancillary Revenue	Schedule 12
Programming Expenses	Schedule 13
Staffing and Compensation	Schedule 14
Administrative Overhead	Schedule 15
Occupancy Expense	Schedule 16

<b>Redmond Cultural Facility</b>	
<b>SCHEDULE 1: KEY ASSUMPTIONS</b>	
<b>ECONOMIC ASSUMPTIONS</b>	
Fringe Benefits Rate (Full-time)	26.1%
Fringe Benefits Rate (Part time)	0.0%
Payroll Taxes	7.65%
Contingency % of Operating Expenses	5.0%
<b>BUILDING ASSUMPTIONS</b>	
<b>Flexible Performance Space</b>	
Endstage Configuration	300
Flat Floor Configuration (General Admission)	400
Banquet Configuration	250
<b>Flexible Exhibit Space</b>	
Exhibition (standing)	150
Reception	75
<b>Whole Building</b>	
Total Gross Square Footage	27,500
Total Occupancy Costs	\$190,500
Occupancy Costs per Sq. Ft., calculated	\$6.93
<b>ANCILLARY REVENUE</b>	
Concessions Commission (gross sales)	30%
Artwork commissions	30%
<b>CAPITAL COST ASSUMPTIONS</b>	
Construction cost (before sales tax) (2015\$)	\$14,000,000
Building Fund % of construction cost	20%
Building Fund target	\$2,800,000
Building Fund ageing target	30
Building Fund interest rate	5%
Ideal Annual Contribution	\$42,144

<b>Redmond Cultural Facility</b>	
<b>SCHEDULE 2: SUMMARY PRO FORMA</b>	
<b>Operating Revenues</b>	
Programming Revenue	\$427,500
Ancillary Revenue	\$137,700
Rental Revenue	\$84,400
<b>Total Operating Revenues</b>	<b>\$649,600</b>
<b>Contributed Revenues</b>	
Memberships & Sponsorships	\$22,500
City's Space Use	\$0
Operating Support	\$600,000
<b>Total Contributed Revenues</b>	<b>\$622,500</b>
<b>TOTAL REVENUES</b>	<b>\$1,272,100</b>
<b>OPERATING EXPENSES</b>	
Programming Expenses	\$358,000
Personnel Expenses	\$578,000
Administration	\$52,800
Building Occupancy	\$190,500
<b>TOTAL OPERATING EXPENSES</b>	<b>\$1,179,300</b>
<i>Expense Contingency</i>	<i>\$59,000</i>
<b>TOTAL EXPENSES</b>	<b>\$1,238,300</b>
<i>Operating Revenue as % of Expenses</i>	<i>52.46%</i>
<b>TOTAL RESULT</b>	<b>\$33,800</b>

<b>Redmond Cultural Facility</b>	
<b>SCHEDULE 3: REVENUE SUMMARY</b>	
<b>Programming Revenue</b>	
Presented Performances - Ticket Sales	\$423,900
Professional Art Exhibitions	\$1,400
Master Classes	\$2,200
<b>Subtotal, Programming Revenue</b>	<b>\$427,500</b>
<b>Ancillary Revenue</b>	
Ticketing Fees (Net)	\$69,900
Ancillary Revenue- Concessions (Net)	\$42,400
Ancillary Revenue- Parking (Net)	\$-
Ancillary Revenue- Catering (Net)	\$25,400
<b>Subtotal, Ancillary Revenue</b>	<b>\$137,700</b>
<b>Rental Revenue</b>	
Facility Rental Fees	\$78,400
Nonprofit Rental Subsidy	\$(31,400)
Performance Rental Chargebacks	\$37,400
<b>Sub-Total, Other Earned Revenue</b>	<b>\$84,400</b>
<b>TOTAL OPERATING (EARNED) REVENUE</b>	<b>\$649,600</b>
<b>Contributed Income</b>	
Memberships & Sponsorships	\$22,500
City's Space Use	\$0
Operating Support	\$600,000
<b>Sub-Total, Support &amp; Funding</b>	<b>\$622,500</b>
<b>TOTAL CONTRIBUTED REVENUE</b>	<b>\$622,500</b>
<b>TOTAL REVENUES</b>	<b>\$1,272,100</b>

<b>Redmond Cultural Facility</b>		
<b>SCHEDULE 4: EXPENSE SUMMARY</b>		
<b>Programming Expenses</b>		
Presented Performances		\$336,000
Professional Art Exhibitions		\$22,000
Master Classes		\$2,200
Subtotal, Programming Expenses		\$358,000
<b>Personnel Expenses</b>		
Full Time Staff		\$427,800
Part Time Staff		\$150,200
Subtotal, Personnel Expenses		\$578,000
<b>Administration</b>		
Overhead		\$52,800
Subtotal, Administration		\$52,800
<b>Building Occupancy</b>		
Building Operations		\$148,500
Building Reserve Fund		\$42,000
Subtotal, Building Occupancy		\$190,500
Subtotal, Operations Expenses		\$1,179,300
Expense Contingency	5%	\$59,000
<b>TOTAL OPERATING EXPENSES w/ Contingency</b>		<b>\$1,238,300</b>

Redmond Cultural Facility		
SCHEDULE 5A : ACTIVITY - FLEXIBLE PERFORMANCE SPACE		
Flexible Performance Space	Performance / Event Days	Tech/ Reh/ Strike
<b>Presented Performances</b>		
Genre 1 - Popular Music	12	
Genre 2 - Theatre Performances	18	12
Genre 3 - Music Performances	8	4
Genre 4 - Film / Lecture Series	8	
Genre 5 - Informal Bands, Contemporary Music	8	
<b>Subtotal, Professional Performing Arts</b>	<b>54</b>	<b>16</b>
<b>Local Nonprofit Performances</b>		
Genre 1 - Music	12	6
Genre 2 - Theatre	12	6
Genre 3 - Performance Events with Food	12	6
Genre 4 - Other Performance Events	12	6
Genre 5 - Other Community Social Events	12	
<b>Subtotal, Nonprofit Rentals</b>	<b>60</b>	<b>24</b>
<b>City of Redmond Events</b>		
Childrens Recitals (2x/ year)	4	2
Teen Concerts/Recitals	4	2
Adult Recitals	4	2
Senior Recitals	4	2
City Cultural Programming	12	
City Meetings & Events	4	
Derby Days	2	1
Redmond Lights	2	1
So Bazaar	2	1
<b>Subtotal, City Events</b>	<b>38</b>	<b>11</b>
<b>Commercial Rentals</b>		
Commercial/Private Performance Rentals	4	1
Commercial/Private Event Rentals	6	
<b>Subtotal, Commercial Rentals</b>	<b>10</b>	<b>1</b>
<b>Total Use Days</b>	<b>162</b>	<b>52</b>
<b>TOTAL USE DAYS - FLEXIBLE PERFORMANCE SPACE</b>		<b>214</b>

Redmond Cultural Facility			
SCHEDULE 5B : ACTIVITY - OTHER SPACES			
Flexible Exhibit Space	Exhibit Duration	Set Up / Strike	Events
<b>Presented Exhibitions</b>			
Flagship Show	90	4	2
Subtotal, Presented Art Exhibitions	90	4	2
<b>Local Nonprofit Exhibitions</b>			
Show 1	30	2	2
Show 2	30	2	2
Show 3	30	2	2
Show 4	30	2	2
Subtotal, Nonprofit Exhibitions	120	8	8
<b>City of Redmond Exhibitions</b>			
Spring Arts Show	14	4	1
Holiday Arts Show	14	4	2
Subtotal, City Exhibitions	28	8	3
<b>Non Exhibition Events</b>			
Commercial / Private		2	5
Nonprofit / Community		2	5
City of Redmond Events		3	6
Subtotal, Non Exhibition Events	0	7	16
<b>TOTAL USE DAYS - Flexible Exhibit Space</b>	<b>238</b>	<b>27</b>	<b>29</b>

Classrooms / Studios (3)	Uses
<b>Master Classes</b>	
Perf Art Master Classes	11
Visual Art Master Classes	8
Other Master Classes & Activities	4
Subtotal, Center Presented Activities	23
<b>Artist Residency</b>	
Artist Residency	365
Subtotal, Artist Residency	365
<b>Local Nonprofit Classes/Events</b>	
Class Sessions	60
Day-Long Sessions	20
Subtotal, Nonprofit Rentals	80
<b>City of Redmond Programs</b>	
HQ for Large Events	9
Parks and Rec Programs & Classes	60
Subtotal, City of Redmond Programs	69
<b>Commercial Rentals</b>	
Class Session Rentals	20
Daily Rentals	10
Subtotal, Commercial Rentals	30
<b>TOTAL USE DAYS - CLASSROOMS / STUDIOS</b>	<b>172</b>

<b>Redmond Cultural Facility</b>						
<b>SCHEDULE 6: ATTENDANCE PROJECTIONS</b>						
<b>Flexible Performance Space</b>	<b>Config-uration</b>	<b>Capacity</b>	<b>Avg % Sold</b>	<b>Avg Attendance</b>	<b>Events</b>	<b>Attendance</b>
<b>Presented Performances</b>						
Genre 1 - Popular Music	Flat Floor	400	80%	320	12	3,840
Genre 2 - Theatre Performances	Theatre	300	70%	210	18	3,780
Genre 3 - Music Performances	Theatre	300	70%	210	8	1,680
Genre 4 - Film / Lecture Series	Theatre	300	60%	180	8	1,440
Genre 5 - Informal Bands, Contemporary Music	Flat Floor	400	50%	200	8	1,600
<b>Subtotal, Professional Performing Arts</b>					<b>54</b>	<b>12,340</b>
<b>Local Nonprofit Performances</b>						
Genre 1 - Music	Theatre	300	75%	225	12	2,700
Genre 2 - Theatre	Theatre	300	75%	225	12	2,700
Genre 3 - Performance Events with Food	Flat Floor	400	85%	340	12	4,080
Genre 4 - Other Performance Events	Theatre	300	75%	225	12	2,700
Genre 5 - Other Community Social Events	Flat Floor	400	50%	200	12	2,400
<b>Subtotal, Nonprofit Rentals</b>					<b>60</b>	<b>14,580</b>
<b>City of Redmond Events</b>						
Childrens Recitals (2x/ year)	Theatre	300	75%	225	4	900
Teen Concerts/Recitals	Flat Floor	400	65%	260	4	1,040
Adult Recitals	Theatre	300	65%	195	4	780
Senior Recitals	Theatre	300	65%	195	4	780
City Cultural Programming	Banquet	250	65%	163	12	1,950
Derby Days	Banquet	250	60%	150	2	300
Redmond Lights	Banquet	250	60%	150	2	300
So Bazaar	Banquet	250	60%	150	2	300
<b>Subtotal, City Events</b>					<b>34</b>	<b>6,350</b>
<b>Commercial Rentals</b>						
Commercial/Private Performance Rentals	Theatre	300	75%	225	4	900
Commercial/Private Event Rentals	Banquet	250	65%	163	6	975
<b>Subtotal, Commercial Rentals</b>					<b>50</b>	<b>1,875</b>
<b>TOTAL ATTENDANCE PERFORMANCE SPACE</b>					<b>198</b>	<b>35,145</b>

Redmond Cultural Facility						
SCHEDULE 6: ATTENDANCE PROJECTIONS cont'd						
<b>Flexible Exhibit Space - General Attendance</b>				Avg/day	Days	Attendance
Presented Exhibitions				10	90	900
Local Nonprofit Exhibitions				5	120	600
City of Redmond Exhibitions				5	28	140
<b>Subtotal, General Attendance</b>						<b>1,640</b>
<b>Flexible Exhibit Space - Events</b>		Config-uration	Capacity	Avg % Sold	Avg Attendance Events	Attendance
<b>Presented Exhibitions</b>						
Flagship Show	Standing	150	75%	113	2	225
<b>Subtotal, Presented Art Exhibitions</b>						<b>225</b>
<b>Local Nonprofit Exhibitions</b>						
Show 1	Reception	75	75%	56	2	113
Show 2	Reception	75	75%	56	2	113
Show 3	Standing	150	75%	113	2	225
Show 4	Standing	150	75%	113	2	225
<b>Subtotal, Nonprofit Exhibitions</b>						<b>675</b>
<b>City of Redmond Exhibitions</b>						
Spring Arts Show	Reception	75	75%	56	1	56
Holiday Arts Show	Reception	75	75%	56	2	113
<b>Subtotal, City Exhibitions</b>						<b>169</b>
<b>Non Exhibition Events</b>						
Commercial / Private	Reception	75	75%	56	5	281
Nonprofit / Community	Reception	75	75%	56	5	281
City of Redmond Events	Standing	150	75%	113	6	675
<b>Subtotal, Non Exhibition Events</b>						<b>1,238</b>
<b>TOTAL ATTENDANCE: EXHIBIT SPACE</b>						<b>3,946</b>
<b>TOTAL ATTENDANCE</b>						<b>39,091</b>

Redmond Cultural Facility				
SCHEDULE 7: FACILITY RENTAL				
Flexible Performance Space	Rate	Duration (hrs)	Uses	Charge
<b>Presented Performances</b>				
Performance	\$0	5	54	\$0
Tech/ Reh/ Strike	\$0	5	16	\$0
Use of Catering Kitchen	\$0	5	0	\$0
<b>Subtotal, Professional Performing Arts</b>				<b>\$0</b>
<b>Local Nonprofit Performances</b>				
Performance	\$600	5	60	\$36,000
Tech/ Reh/ Strike	\$350	5	24	\$8,400
Use of Catering Kitchen	\$150	5	15	\$2,250
<b>Subtotal, Nonprofit Rentals</b>				<b>\$46,650</b>
<b>City of Redmond Events</b>				
Performance	\$0	5	38	\$0
Tech/ Reh/ Strike	\$0	5	11	\$0
Use of Catering Kitchen	\$0	5	0	\$0
<b>Senior Recitals</b>				<b>\$0</b>
<b>Commercial Rentals</b>				
Performance	\$900	5	10	\$9,000
Tech/ Reh/ Strike	\$650	5	1	\$650
Use of Catering Kitchen	\$200	5	6	\$1,200
<b>Subtotal, Commercial Rentals</b>				<b>\$10,850</b>
<b>TOTAL RENTAL FEES - MAIN THEATRE</b>				<b>\$57,500</b>

Redmond Cultural Facility				
SCHEDULE 7: FACILITY RENTAL cont'd				
Flexible Exhibition Space	Rate	Duration	Uses	Charge
<b>Presented Exhibitions</b>				
Exhibit Duration	\$0	week	13	\$0
Use of Catering Kitchen	\$0	3hrs	1	\$0
Subtotal, Presented Art Exhibitions				\$0
<b>Local Nonprofit Exhibitions</b>				
Exhibit Duration	\$200	week	17	\$3,429
Use of Catering Kitchen	\$150	3hrs	2	\$300
Subtotal, Nonprofit Exhibitions				\$3,729
<b>City of Redmond Exhibitions</b>				
Exhibit Duration	\$0	week	4	\$0
Use of Catering Kitchen	\$0	3hrs	0	\$0
Subtotal, City Exhibitions				\$0
<b>Non Exhibition Events</b>				
Commercial Set Up / Strike	\$500	3hrs	2	\$1,000
Commercial Event Days	\$750	3hrs	5	\$3,750
Nonprofit Set Up / Strike	\$200	3hrs	2	\$400
Nonprofit Event Days	\$400	3hrs	5	\$2,000
City Set Up / Strike	\$0	8hrs	3	\$0
City Event Days	\$0	8hrs	6	\$0
Use of Catering Kitchen	\$200	3hrs	4	\$800
Subtotal, Non Exhibition Events				\$2,400
<b>TOTAL RENTAL FEES - Flexible Exhib. Space</b>				<b>\$6,129</b>

Redmond Cultural Facility				
SCHEDULE 7: FACILITY RENTAL cont'd				
Classrooms / Studios (3)	Rate		Use Days	Charge
<b>Master Classes</b>				
Class Session Rentals	\$0	3hrs	23	
Daily Rentals	\$0	8hrs	0	\$0
Subtotal, Center Presented Activities				\$0
<b>Local Nonprofit Classes/Events</b>				
Class Session Rentals	\$75	3hrs	60	\$4,500
Daily Rentals	\$200	8hrs	20	\$4,000
Subtotal, Nonprofit Rentals				\$8,500
<b>City of Redmond Programs</b>				
HQ for Large Events	\$0	8hrs	9	\$0
Parks and Rec Programs & Classes	\$0	8hrs	60	\$0
Subtotal, Nonprofit Rentals				\$0
<b>Commercial Rentals</b>				
Class Session Rentals	\$135	3hrs	20	\$2,700
Daily Rentals	\$360	8hrs	10	\$3,600
Subtotal, Commercial Rentals				\$6,300
<b>TOTAL RENTAL FEES - CLASSROOMS/ STUDIOS</b>				<b>\$14,800</b>
<b>TOTAL RENTAL FEES - ALL SPACES</b>				<b>\$78,429</b>
<b>Nonprofit Rental Grant Subsidy</b>		<b>Percent</b>	<b>Base</b>	<b>Total</b>
Nonprofit Rental Grant Subsidy		75%	\$41,879	-\$31,409
				-\$31,409

Redmond Cultural Facility				
SCHEDULE 8: RENTAL CHARGEBACKS				
<b>Box Office</b>			# of	
	Fee	Frequency	Productions	Amount
Ticket Set-up Fee - Nonprofit Users	\$200	50%	12	\$1,200
Ticket Set-up Fee - Commercial Users	\$200	100%	4	\$800
Subtotal, Box Office				\$800
<b>Performance Labor</b>		Avg Per Event	Frequency	# of Events
				Amount
House Staff	\$240.00	50%	70	\$8,400
Custodial	\$200.00	100%	70	\$14,000
Technical Director	\$240.00	50%	70	\$8,400
Subtotal, Venue Labor				\$30,800
<b>Exhibit Labor</b>		Avg Per Event	Frequency	# of Events
				Amount
House Staff	\$240.00	50%	18	\$2,160
Custodial	\$200.00	100%	18	\$3,600
Subtotal, Venue Labor				\$5,760
<b>TOTAL CHARGEBACKS</b>				<b>\$37,360</b>

Redmond Cultural Facility				
SCHEDULE 9: PROGRAMMING REVENUE				
		Average		
		Ticket Price	Tickets Sold	Sales
<b>Presented Performances - Ticket Sales</b>				
Genre 1 - Popular Music		\$45	3,840	\$172,800
Genre 2 - Theatre Performances		\$35	3,780	\$132,300
Genre 3 - Music Performances		\$35	1,680	\$58,800
Genre 4 - Film / Lecture Series		\$25	1,440	\$36,000
Genre 5 - Informal Bands, Contemporary Music		\$15	1,600	\$24,000
<b>Subtotal, Presented Performances - Ticket Sales</b>			<b>12,340</b>	<b>\$423,900</b>
<b>Professional Art Exhibitions</b>				
		Fee	Artists	Total
Application Fee		\$25	25	\$625
Commission on Artwork Sales	30%	\$2,500		\$750
<b>Subtotal, Professional Art Exhibitions</b>				<b>\$1,375</b>
<b>Master Classes</b>				
	Events	Fee	Attendees	
Perf Art Master Classes	11	\$12	8	\$1,037
Visual Art Master Classes	8	\$12	8	\$768
Other Master Classes & Activities	4	\$12	8	\$384
<b>Subtotal, Master Classes</b>				<b>\$2,189</b>
<b>TOTAL PROGRAM REVENUE</b>				<b>\$427,464</b>

Redmond Cultural Facility				
SCHEDULE 10: TICKETING FEES				
Tickets Sold		All Tickets		
Professional Performing Arts				12,340
Nonprofit Rentals				12,180
City of Redmond Events				6,350
Commercial Rentals				900
<b>Total Tickets Sold</b>				<b>31,770</b>
<b>Phone/Internet Order Handling Fee</b>	<b>Avg Fee</b>	<b>Capture</b>	<b>Tickets</b>	<b>Fees</b>
Professional Performing Arts	\$4.00	100%	12,340	\$49,360
Nonprofit Rentals	\$4.00	40%	12,180	\$19,488
City of Redmond Events	\$4.00	0%	6,350	\$0
Commercial Rentals	\$4.00	100%	900	\$3,600
<b>Subtotal, Handling Fees</b>				<b>\$72,448</b>
<b>Credit Card Fee</b>	<b>Rate</b>	<b>Capture</b>	<b>Gross Sales</b>	<b>CC Expense</b>
Professional Performing Arts	2.5%	90%	\$423,900	(\$9,538)
<b>Subtotal, Credit Card Fee Expense</b>				<b>(\$9,538)</b>
<b>TOTAL FEES (NET)</b>				<b>\$69,900</b>

Redmond Cultural Facility					
SCHEDULE 11: MEMBERSHIPS & SPONSORSHIPS					
		Net Fee per	# Members	Total Fees	
		Membership			
<b>Membership</b>					
Tier 1		\$30	100	\$3,000	
Tier 2		\$50	40	\$2,000	
Tier 3		\$100	30	\$3,000	
Tier 4		\$250	20	\$5,000	
<b>Subtotal, Membership</b>			190	\$13,000	
<b>Sponsorships</b>					
		Events /Days	\$750 sponsorship	\$500 sponsorship	
Genre 1 - Popular Music	12	2	6	\$4,500	
Genre 2 - Theatre Performances	3		2	\$1,000	
Genre 3 - Music Performances	4	1	2	\$1,750	
Genre 4 - Film / Lecture Series	8		2	\$1,000	
Genre 5 - Informal Bands, Contemporary Music	8			\$0	
Presented Exhibitions	1	1	1	\$1,250	
<b>Subtotal, Sponsorships</b>				\$9,500	
<b>TOTAL MEMBERSHIP &amp; SPONSORSHIPS</b>				<b>\$22,500</b>	

Redmond Cultural Facility				
SCHEDULE 12: ANCILLARY REVENUE				
				Total Attendees
Presented Performances				12,340
Local Nonprofit Performances				12,180
City of Redmond Events				6,350
Commercial Rentals				1,875
<b>Total Tickets Sold</b>				<b>32,745</b>
<b>Concessions (Gross Sales)</b>				
	Per Capita	Captured Attendance		Gross Sales
Presented Performances	\$7.00	12,340		\$86,380
Local Nonprofit Performances	\$4.00	12,180		\$48,720
City of Redmond Events	\$2.00	-		\$0
Commercial Rentals	\$7.00	900		\$6,300
<b>Concessions Net</b>	30%	Total		<b>\$42,420</b>
<b>Net Parking Fees</b>				
	Per Capita	# of Cars		Sales
Parking Fees	\$0.00	12,128		\$0
				\$0
<b>Catering (Gross Sales)</b>				
	Guests	Avg.	# Events	Catering Sales
Performance Space - Catered Events	188	\$40	21	\$157,500
Exhibition Space - Catered Events	56	\$30	7	\$11,813
<b>Catering Commission</b>	15%		Total	<b>\$25,397</b>
<b>Total Net Ancillary Revenue</b>				<b>\$67,817</b>

Redmond Cultural Facility				
SCHEDULE 13: PROGRAMMING EXPENSE				
	Artist Fee	Production Budget	# of Performances	Total Exp
<b>Presented Performances</b>				
Genre 1 - Popular Music	\$7,500	\$3,000	12	\$126,000
Genre 2 - Theatre Performances	\$5,000	\$2,000	18	\$126,000
Genre 3 - Music Performances	\$5,000	\$2,000	8	\$56,000
Genre 5 - Informal Bands, Contemporary Music	\$2,500	\$1,000	8	\$28,000
<b>Subtotal, Professional Performing Arts</b>			<b>46</b>	<b>\$336,000</b>
<b>Professional Art Exhibitions</b>				
	Cost/show		Shows	Total
Set Up & Strike	\$7,500		1	\$7,500
Artwork Shipping & Transportation	\$2,500		1	\$2,500
Materials and Supplies	\$3,000		1	\$3,000
Publicity	\$2,500		1	\$2,500
Juror Honorarium	\$500		1	\$500
Artist Honorarium	\$5,000		1	\$5,000
Reception	\$1,000		1	\$1,000
<b>Subtotal, Education and Artistic Programs</b>				<b>\$22,000</b>
<b>Master Classes</b>				
	Per Class		Classes	Total
Class materials, artist honoraria, etc.	\$95		23	\$2,166
				<b>\$2,166</b>
<b>TOTAL PROGRAMMING EXPENSE</b>				<b>\$328,757</b>

<b>Redmond Cultural Facility</b>						
<b>SCHEDULE 14: STAFFING AND COMPENSATION</b>						
Full Time Staff	Positions	%	FTEs	Base Salary per FTE	% Taxes & Benefits	Total Compensation
Center Administrator	1	100%	1	\$70,000	33.7%	\$93,590
Programming Coordinator	1	100%	1	\$65,000	33.7%	\$86,905
Events Coordinator	1	100%	1	\$65,000	33.7%	\$86,905
Marketing Coordinator	1	100%	1	\$65,000	33.7%	\$86,905
Facilities Technician	1	100%	1	\$55,000	33.7%	\$73,535
<b>Subtotal, Full Time</b>			<b>5</b>	<b>\$320,000</b>		<b>\$427,840</b>
Part Time Staff	Positions	hrs per position	FTEs	Hourly Rate	% Taxes & Benefits	Total Compensation
Administrative Assistant	1	900	0.5	\$25	7.65%	\$24,221
Front of House Event Support	2	900	1	\$15	7.65%	\$29,066
Technical Support	2	900	1	\$25	7.65%	\$48,443
Custodial Support	2	450	0.5	\$20	7.65%	\$19,377
Security	1.5	900	0.75	\$20	7.65%	\$29,066
<b>Subtotal, Part Time</b>			<b>3.75</b>	<b>\$105</b>		<b>\$150,172</b>
<b>TOTAL STAFFING</b>			<b>8.75</b>			<b>\$578,012</b>

Redmond Cultural Facility		
SCHEDULE 15: ADMINISTRATIVE EXPENSE		
	per FTE	Total
<b>Overhead</b>		
Professional Fees (CPA, legal, IT etc.)		\$0
Telephone/Internet	\$70	\$613
Telephone/Internet - Maintenance/Equipment		\$15,000
Office Supplies (based on headcount)	\$65	\$570
Office Equipment - Lease		\$9,000
Equipment Repair/Maint./Support		\$4,500
Postage & Mailing		\$1,200
Printing & Copying		\$6,000
Institutional Marketing		\$10,000
Travel, Meetings, Mileage	\$100	\$875
Licenses/Fees/Permits		\$2,500
Memberships/Dues/Professional Development		\$2,500
<b>Subtotal, Overhead</b>		<b>\$52,758</b>
<b>TOTAL ADMINISTRATIVE EXPENSES</b>		<b>\$52,758</b>

Redmond Cultural Facility		
SCHEDULE 16: OCCUPANCY EXPENSE		
<b>Building Operations</b>	Per sf	Total
Utilities (Gas, Electric, Water, Sewer)	\$2.50	\$68,750
Regular Cleaning & Maintenance	\$1.90	\$52,250
Property Insurance	\$-	\$-
Security	\$0.50	\$13,750
Annual Capital Maintenance	\$0.50	\$13,750
<b>Subtotal, Overhead</b>	<b>\$5.40</b>	<b>\$148,500</b>
<b>Building Reserve Fund</b>		Total
Annual Contribution		\$42,000
<b>Subtotal, Building Reserve</b>		<b>\$42,000</b>
<b>TOTAL BUILDING EXPENSES</b>		<b>\$190,500</b>