ATTACHMENT 4

BUSINESS PLAN FOR AN ARTS SPACE FOR EVERYONE

PREPARED BY

Arlington Cultural Affairs
Department of Parks Recreation and Cultural Resources

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Executive Summary

The unprecedented opportunity for Arlington County to adapt the former Newseum space into a Cultural Center is the culmination of a goal first voiced in 1967. In recent years, the specific needs for such a center were outlined in both the 2005 *Public Spaces Master Plan* and the 2006 *Needs Assessment for Arlington County Cultural Facilities*. This document outlines a preliminary Business Plan for operating a Cultural Center in the former Newseum space that meets those expressed needs. The plan offers a cost-effective approach for implementing the County's long-standing vision for a Cultural Center through public/private partnership and consolidation of services, while avoiding the $40-$60 million in capital cost price tag that new construction would entail. We now have the opportunity to stay true to our vision and make a strategic decision that will have a positive impact on the quality of life and the economy of Arlington for many years in the future.

Despite the challenging economic environment, PRCR has crafted a strategy to make this center a reality—with minimal new fiscal impact and, even more importantly, little long-term risk. Understanding that the current environment places a project of this scope under close scrutiny, the Business Plan identifies the resources necessary to make this project viable. Detailed budgets and program plans with worksheets that document how the figures were derived are included in the Business Plan. In addition, we have contracted with Webb Management Services, Inc., a leading arts facility development and management consultant, for an independent review and analysis of this plan to verify sustainability and long-term financial stability of the proposed Cultural Center. This review is expected to be completed within the next 90 days. Key aspects of the business plan are:

- **No new tax dollars are required** for ongoing operations of the proposed Cultural Center as currently projected from pre-opening to year three.
- **$1.0 million in initial commitment from Rosslyn BID** for the operation of the Cultural Center over a five-year period.
- **Between $8.6 and $11.5 million** in estimated annual economic impact.
- **Estimated annual attendance of 300,000** – The Center will operate *seven days* a week, *12 hours* a day, with an average of *25 events* per week featuring a broad spectrum of programs for day and night time draw to the center.
- **$4.0 million in estimated capital cost** of the project is a minimal investment for securing a 54,000 SF facility in a prime commercial area of Rosslyn with metro accessibility. The capital funds are in place: $1.13 million from the Rosslyn Fund, and the following from Park Bonds--$1.67 million (Warehouse Renovation for WSC), $950,000 (Boathouse), $250,000 (Greenbrier Tennis).
- **Pre-opening (calendar year 2009) Budget** for the Center is $1.2 million. This includes carrying costs, real estate taxes, ramp-up costs and an operating reserve. These funds are also in place: $500,000 (The Rosslyn BID), $370,000 (The Rosslyn Fund), $250,000 (Cultural Affairs T/A), $55,000 (Planet Arlington), and $15,000 (Opening Events revenue).
- **Year One (calendar year 2010) Operating Budget** for the center is $3,083,872. The revenue to operate the center is derived from reallocated funds from the Cultural Affairs Division ($932,826); ticket income ($1,041,375); other earned income from rent, retail commissions and food and bar commissions ($860,971), Rosslyn BID ($200,000) and other contributions ($50,000).
- **Operating reserves** are projected to be built gradually into the annual operating budget through development activities and business growth. However, the Center will open with 33% of its annual budget in place before a single ticket or rental is sold – this is a significant position for a 501(c) (3) arts organization to build upon. The Center budget also allows the flexibility to reduce direct expenses proportionate with any reductions in revenue generating programs and rental events. For the first three years, the overall PRCR resources will provide an additional layer of flexibility for any budget contingencies.
- **Income projections are conservative** and many are based on current levels of activity of the proposed center partners. New program projections are generally lower than similar activity levels of like programs researched by staff.
- **Transition of the governance to a non-profit organization** – While Arlington Cultural Affairs will initially launch the Center and work with an Advisory Board of stakeholders, control will transition to an independent 501(c)(3) within three years, further minimizing the risk to the County.

Introduction

At a time when resources are limited, it is critical for Arlington to exploit all cost effective opportunities possible to respond to arts facility needs and to stimulate new revenue streams for both local arts organizations and the County. The Newseum facility provides the County with the most exciting and cost effective opportunity since the initial renovation of the Gunston School and the opening of the Ellipse Arts Center in 1990 which set the growth of the arts in Arlington in motion and gave birth to Signature Theatre, Washington Shakespeare Company, Bowen McCauley Dance, Synetic Theatre, Teatro de la Luna and many others.

In fact, Arlington's national reputation for arts support, lauded by Harvard's "Innovations in American Government Award" in 1996, has been based on the County's creative approach to providing low cost space for the creation and presentation of work. Utilizing the Newseum as a cultural center presents an unprecedented opportunity to continue this tradition of acquiring low cost space to support arts development, meet citizen demand for cultural offerings, and address the pressing facility needs of our more developed arts organizations.

In addition, the facility, located near the metro and major transportation routes, and in one of our most urban neighborhoods, provides an opportunity for the County to effectively utilize the arts to maximize economic impact by bringing the region's residents and tourists to Rosslyn. Currently, most of the County's arts programs are located in school facilities in areas without metro and/or the retail, hotel and restaurant businesses that provide the urban ambiance necessary for maximum audience attendance. And, while the County is increasingly urban, its arts infrastructure is still essentially suburban. Transforming the Newseum facility into a welcoming, contemporary arts center that balances entertainment, cutting edge and traditional cultural programming, social networking, active participation, and a sense of fun is the challenge that this business plan addresses.

The idiosyncratic nature of the space led to the development of programs that grew from the center's current design and ones that offer numerous platforms for community engagement. The combined work of our partner organizations, rental opportunities, and direct center presentations will showcase an extremely broad spectrum of disciplines, genres, and cultures. While this plan outlines the program offerings, the financial operations and the management of the facility, it is important to understand that the concept for this space is one that was developed in response to the most up-to-date thought of what the arts center of the 21st century must be to build strong community support and to attract and interest today's audience *(see Attachment #1)*. The author of this attachment, Webb Management, provided the September 2006 *Needs Assessment for Arlington County Cultural Facilities* and a business plan for a new cultural center in April 2007 which staff utilized in developing the concepts for this center.

Management/Operating Budget

The cultural center combines the Newseum facility and the Rosslyn Spectrum as one jointly programmed, managed and marketed art facility, creating a critical mass of space that offers the community the most exciting and diverse mix of cultural programming possible. The facility will be open 7 days a week, 12 hours a day from 11:00 am to 11:00 pm, and perhaps later for special after hours events. The program offered at the center is designed to provide an energetic and exciting new cultural venue for Arlington and the region.

Through the development of a unique collaboration between Cultural Affairs, a number of 501(c)(3) arts organizations, and a unique and well respected area restauranteur, this program will offer exciting possibilities and significant resources that will result in over 25 arts events offered each week. Projected attendance is over 300,000 annually.

Governance

Arlington Cultural Affairs in the Department of Parks Recreation and Cultural Resources will implement the project and manage the center for up to three years. During this time a 501(c)(3) charitable arts organization will be established to assume the permanent management of the facility. During the initial three year period we envision working with three advisory groups to insure the successful launch and operation of the center.

- An **Advisory Board** made up of the center's stakeholders (Rosslyn BID, Vornado/Charles E. Smith Realty Company, the Arlington Commission for the Arts, Monday Properties, etc.) and community members will provide operational and programmatic guidance. In addition, this group will assist in audience development and in securing financial support for the programs offered at the facility. This group will become the Board of Directors for the 501(c)(3) in this initial three year period.
- A **"Voices"** focus group comprised of target participants in the 21 to 35 age group, will assist with program development and marketing targeted to their demographic.
- An **Operating Committee** made up of facility occupants (Synetic/Classika Theatre Company, Washington Shakespeare Company, Artisans Center of Virginia fine craft gallery, Busboys and Poets restaurant, etc.) will form an in-house committee to develop new program and marketing concepts, manage needed operational, scheduling and programatic issues.

During the initial three year implementation, staff will work closely with the Advisory Board to implement a training program that will prepare the Board to take over the full operation of the center. In light of the annual County contribution of $935,000 (reallocated from Cultural Affairs), it is recommended that the Cultural Affairs Division Chief and a minimum of two other positions on the Board of Directors be designated County Board appointed positions.

Staffing

In the first year, staff for the center will be comprised of 14 FTE, of which 9 FTE will be new hires. Five positions from Arlington Cultural Affairs will be tasked to work in the center and will be "on loan" to the center permanently. The 9 FTE will be hired independently by the 501(c)(3) or possibly through the Rosslyn BID. The employees "on loan" will remain as employees of the County in Cultural Affairs until they separate from the County. Their replacements will be hired by the 501(c)(3) with the funding associated with the positions transferred from the County to the center at the time of separation. A staffing list, with brief position descriptions, is provided as *Attachment #2* to this plan.

Volunteers

The center will be supported by numerous local volunteers. Center volunteers will assist in facility coverage, serve as ushers at performances, act as guerilla marketers for center programs, and assist in fundraising activities. Prior to opening, staff will develop a comprehensive program to recruit, train and manage volunteers.

Budget Overview

Four budgets are presented in this plan covering the period from start up to opening and the first three years of operation. The annual budget for the initial year of the center is close to $3,100,000.

The expense breakdown is divided between three main categories—facility operations $1,100,000, staffing $1,200,000 and programming (which includes marketing) $850,000. Of this, approximately $935,000 is projected to be transferred from the Cultural Affairs to the center to support staffing and operations. Approximately $2,150,000 is projected as earned income from ticket sales, rental fees, and commissions. Income projections were based on current income from the Rosslyn Spectrum and current actual income from program partners as well as projections for income from new activities. Complete worksheets which outline how these estimates were derived follow.

There are three types of income projected from rent:

- County supported arts organizations are projected to pay rent through the current County surcharge policy. Projections are based on their current activity, although we believe that we will see increased audience as a result of their residency in the center.
- Commissions against the sales of merchandise and food are projected for Busboys and Poets and for the Artisans Center of Virginia.
- Daily rental fees are projected for many of the spaces in the center and are based on the level of rental activity and unmet demand we encounter as a result of renting the Spectrum Theatre.

Income projections from the catering and concessions will also be significant. Busboys and Poets will provide concession refreshments for all activities and some catering services for daily renters. In addition the center will develop a business relationship with a number of caterers in the area and charge commissions for all catering provided within the center.

Ticket income projections are based on current activity at the Rosslyn Spectrum and conservative attendance projections based on staff research of similar programs. Again, the worksheets that follow detail every assumption on which these figures are based and a review of all these materials is currently being conducted by Webb Management.

The **Startup Budget** includes common area costs and real estate taxes based upon figures provided by Monday Properties to the County's Real Estate Division. Tables detailing those fees follow the budgets. The budgets also include the new hires that will start prior to opening and the identified resources necessary to cover those costs. For the purposes of this budget we have used the 12-month period before the center opens.

The **Year One** budget reflects PRCR's commitment to provide the budget analyst services for the center and $200,000 pledged from the Rosslyn BID (see "Fundraising" below).

The **Year Two** budget reflects a 3.5% increase in personnel costs and a 5% bump in program revenue. The BID pledge of $200,000 is maintained and the Financial Director is added to the staff to replace the PRCR budget analyst services. An initial 'Cash Reserve" is established at $20,000.

The **Year Three** budget utilizes the same percentage increases used in year two for personnel and program revenue, but now adds 5% to the program budget (which did not change in year two). This budget also incorporates the transfer of Rosslyn BID contracted services (staff and program dollars) from Arlington Cultural Affairs to the Cultural Center, i.e. Planet Arlington, Arts al Fresco, the Jazz Festival, etc. Contributions include $100,000 from the BID and $100,000 from the Virginia Commission for the Arts since the Center reaches eligibility. We also project our contributions from foundations, corporations and individuals would grow to $200,000. By year three we expect to hire the New Media Curator, add $20,000 for staff travel and training, and $30,000 to the cash reserve.

It is possible that Year Three would see the loss of the Rosslyn Spectrum due to redevelopment. While the center will miss the programming lost until the new Spectrum Theatre is rebuilt, we project that the impact is essentially revenue neutral. We lose Synetic's ticket surcharge, but we are no longer responsible for rent or maintenance and much of the rental activity can be absorbed by the center's other rentable spaces.

Fundraising

The **Year One** budget contains a conservative projection for contributions of $250,000 for the initial year of operation, and of this, $200,000 has been committed from the Rosslyn BID. This plan calls for the formation of the not for profit corporation in January 2009 and the immediate application for 501(c)(3) status. As a 501(c)(3) organization, the center will have the ability to compete for contributed dollars given to arts organizations throughout the region. For comparison, Strathmore in Bethesda raised $2.4 million in 2006 and $3.7 million in 2007. The Clarice Smith Center in College Park raised $1.3 million in 2007. While we do not anticipate that this center will have the capacity for that level of fundraising, it is probable that between $300,000 and $600,000 can be raised annually by the 5th year of the center's operation in addition to any funding received from the Rosslyn BID. In year three the center will be eligible to receive general operating support from the Virginia Commission for the Arts as mentioned above, which should provide over $100,000 annually. The center will also be eligible for National Endowment for the Arts funding. One of the first positions projected to be hired is the Development Director which will allow us to begin building fruitful relationships with foundations and corporations in the region.

While these budgets reflect a financial view of the first three years of operation, it is important to understand that these are fluid documents and adjustments can be made to respond to changing circumstances. Expenses can be lowered if income projections are not met, likewise higher revenues can result in further investment in marketing and programming or an increase in reserves to support future needs.

ASE BUDGET WORKSHEET # 1
Program Income (Line 51)

		Total projected revenue
Line 41.	**Planet Arlington Concerts ~** 6 events – Tickets @$30.00 300 audience per event @ $30.00 each for 6 events 1,800 x $30.00	**$54,000.00**
Line 43.	**Ballroom-dance events ~** 96 events (2 per week for 48 weeks) – Tickets @ $15.00 200 audience per event @ $15.00 each for 96 events 19,200 x $15.00	**$288,000.00**
Line 44.	**Innovators ~** Cutting edge performance art. 18 events (3 ea. Of 6) –Tickets @ $30.00 125 audience per event @ $30.00 each for 18 events 2250 x $30.00	**$67,500.00**
Line 45.	**Music/ballroom ~** Mixed genre. 72 events –Tickets @ $25.00 200 audience per event @ 25.00 each for 72 events 14,400 x $25.00	**$360,000.00**
Line 46.	**Dome Events/Town Square ~** Varied events from open mike, comedy, lectures, film, children's 125 audience per event @ $5.00 for 75 events 100 audience per event @ $15.00 for 150 events 9,375 x $5.00 on S/M/T/W 15,000 x $15.00 on TH/F/Sat	**$271,875.00**
Line 51.	**Projected Programming Income TOTAL**	**$1,041,375.00**

BUDGET WORKSHEET #2A
Rental Income (Lines 55, 56, 57)

		Rental	Staff	Equipment
Staff Charges:	$40.00 @ hour = Facility Staff $50.00 @ hour = Technical Dir.			

Exhibition Gallery/Terrace

Rent @ $1200 per event 4 hours – 2 staff 24 events projected @ $1200	**$28,800.00**		
Staffing: 2 staff, 24 events, 4 hours each 192 total hours @ $40.00 = $7680 Tech Director = + $10.00 (est. 25%) for 48 hours Tech Director total - $480.00 **Staffing total**		**$8,160.00**	
Equipment Rental Projected at 10% cost of total rental			**$2,880.00**

Spectrum

Rent @ $1000 full day = 8 hours $ 700 half day = 4 hours 110 events projected 55 full days @ $1000 = $55,000 55 half days @ $700 = $38,500	**$93,500.00**		
Staffing: 55 x 8 = 440 55 x 4 = 220 Total 660 2nd staff projected at 25% =165 hours Total hours – 825 @ $40 = $33,000 25% need Tech + 206 hours @ $10 = $2,060 **Staffing total**		**$35,060.00**	
Equipment Rental Projected at10% of total rent			**$9,350.00**

BUDGET WORKSHEET #2B
Rental Income (Lines 55, 56, 57)

	Rental	Staff	Equipment
Dome			
Rent @ $1500 per full day; $900 half day 100 events @ half day; $90,000 50 events @ full day; $75,000	**$165,000.00**		
Staffing: 100 X 4 = 400 50 x 8 = 400 Total 800 25% 2nd staff 200 hours Staffing total 1000 hours X 40=$40,000 25% tech; 250 hours@$10 = $2,500 **Staffing total**		**$42,500.00**	
Equipment Rental Projected at 10% cost of total rental			**$16,500.00**
Ballroom			
Rent @ $1600. full day – 8 hours $1000. half day– 4 hours 24 events projected 12 full days @ $1600 – $19,200 12 half days @$1000 – $12,000	**$31,200.00**		
Staffing: 12 x 8 = 96 12 x 4 = 48 Total 144 hours X 2 staff = 288 288 staff hours X 40 = $11,520 Tech staff @ 50% - $1,440 **Staffing total**		**$12,960.00**	
Equipment Rental Projected at 10% of total rent			**$3,120.00**

BUDGET WORKSHEET #2C
Rental Income (Lines 55, 56, 57)

		Rental	Staff	Equipment
Black Box				
Rent @ $200 per hour; $800 per evening				
120 hours @ $200 = $24,000				
6 evenings @ $800 = $4,800		**$28,800.00**		
Staffing:				
120 X 50 =	$6,000			
6 X 5 X 50+	$1,500			
Total	$7,500			
25% 2nd staff	37 X 40 = $1,480			
Staffing total			**$8,980.00**	
Equipment Rental				
Projected at 10% cost of total rental				**$2,880.00**
Club				
Rent @ $200 per hour. 2 hour minimum				
100 hours @ $200 - $20,000		**$20,000.00**		
Staffing:				
100 x 40 =	$4,000			
2nd staff 25 X 40 =	$1,000			
31 hrs. tech@ 25%=	$310			
Staffing total			**$5,310.00**	
Equipment Rental				
Projected at 35% of total rent				**$7,000.00**
Full Space				
Rent @ $5,000, 6 hours		**$5,000.00**		
Staffing:				
6 x 40 X 6=	$1,440			
1 X 10 X 6=	$60.00			
	$1,500			
Staffing total			**$1,500.00**	
Equipment Rental				
Projected at 35% of total rent				**$500.00**
TOTALS		**$372,300.00**	**$114,470.00**	**$42,230.00**

BUDGET WORKSHEET #3
Food/Bar Income (Line 58)

				Total projected revenue
Music Club	14,400	@	$10.00	$144,000.00
Planet Arlington Concerts	1,800	@	$5.00	$9,000.00
Innovators	2,250	@	$5.00	$11,250.00
WSC	10,000	@	$3.00	$30,000.00
Synetic	20,000	@	$3.00	$60,000.00
Exhibitions	16,080	@	$2.00	$32,160.00
Ballroom	19,200	@	$10.00	$192,000.00
Film/Video	3,500	@	$2.00	$7,000.00
Artisans Center	20,000	@	$3.00	$60,000.00
Dome Events	24,375	@	$7.50	$182,812.00
Heritage Arts	7,500	@	$2.00	$15,000.00
Town Square	17,500	@	$5.00	$87,500.00
Rentals	105,750	@	$1.00	$105,750.00
Café/Bar	35,000	@	$10.00	$350,000.00
Busboys and Poets Events	6,000	@	$10.00	$60,000.00
TOTAL				$1,346,472.00
Commission Revenue to Cultural Center @ 15%				$201,970.80

Program Outline/Attendance Projections

While the program is designed to offer something for everyone, a number of special components have been developed to reach the 20 to 35 year old demographic that is strongly represented in Arlington County. Also, each program component will speak to Arlington's and the area's diverse cultural interests to insure that the cultural center is an exciting and welcoming venue for all members of the regional community. Active participation and engagement in the creative process is a critical part of the vision for this center and will be a component of most of the programming offered. A chart showing a one week program snapshot is provided.

Theatre

The resident theatre companies of Synetic (in the SPECTRUM), Washington Shakespeare Company (in the BLACK BOX) and Classika (in the DOME) will provide an average of 15 performances weekly that include programming for both children and adults. In addition, Cultural Affairs will present an Innovators series of six cutting edge artists and at least one production by a guest theatre company each year.

Projected attendance:

Washington Shakespeare	10,000
Classika/Synetic	30,000
Innovators Series	2,250

Visual Arts

The center will host a number of visual arts components, including the County run exhibition program of 4 to 5 shows annually which will move from its current location at the Ellipse Arts Center. Additionally, one exhibition of contemporary fine craft by the Artisans Center of Virginia will be mounted annually in the TERRACE GALLERY. Site specific sculpture installations will be situated in various locations throughout the complex where people will be able to watch the work being created. Smaller visual art exhibitions will be presented at the SPECTRUM GALLERY. And, as funding is available, longer term sculptural work will be installed in the SCULPTURE GARDEN below the TERRACE GALLERY. In addition, the center will offer various retail opportunities for the sale of fine art and craft works throughout the year in both the STREET LOBBY retail area and a third floor retail location.

Projected attendance:

Exhibitions	16,080

Town Square

The center will feature "open community space" around the café and grand staircase with comfortable seating, Wi-Fi, and community-focused activities, making the TOWN SQUARE a vibrant place for locals to gather. The TOWN SQUARE will be open from 11:00 am to 6:00 pm daily.

Projected attendance:

Town Square/WiFi	17,500

Music

A weekly music program with a club ambience will be offered in the TOWN SQUARE, Thursdays thru Saturdays, in conjunction with the DOME programs. A wide variety of styles including various jazz genres, world music, blues, bluegrass, country/folk, and contemporary DJ selections will be presented one to two times per week in conjunction with regular open mike nights also scheduled in the DOME. This combination will give audiences the option of multi-venue synergy for one ticket price. Light food and various beverages will be available. Classical music performances will be presented on a bi-monthly basis in the SPECTRUM and in the TERRACE GALLERY. The Planet Arlington Concert series will continue to be presented in either the Spectrum, Ballroom or Music Club area.

Projected attendance:

Planet Arlington	1,800
Music Club/Terrace	14,440

Dance

Innovative studio format contemporary dance programs will be offered in the BALLROOM as alternatives to traditional stage performances. Bowen McCauley Dance and Jane Franklin Dance have both expressed interest in participating in these events. Additionally, social dance such as Salsa and Swing, with lessons for beginners, will be offered twice a week in the BALLROOM. The adjacent TOWN SQUARE will help support BALLROOM events (Sunday-Wednesday).

Projected attendance:

Ballroom	19,200
Dance concerts	1,200

Heritage Arts Programs

Various Arlington-based ethnic cultural and social groups are in need of large indoor space for some of their public events – especially those that include dance, food and exhibition booths, such as the Mongolian Children's Festival, Bolivian dance competitions, the Hawaiian May Day Festival, Cambodian New Year and the Argentinian Tango Festival, etc. The BALLROOM will accommodate many of those needs.

Projected Attendance:

Various events	7,500

Film/Video

Independent films will be shown on a daily basis in the small SCREENING ROOM (36 seats) on the third floor. Larger films and film festival programs will be presented in the DOME or the SPECTRUM. Currently we are partnering with three organizations/individuals to present the *Northern Virginia Jewish Film Festival, Rosebud* (an independent film festival) and *Slapsticon* (silent comedy) – all of which attract a strong audience and would benefit from a choice of facilities, which the DOME could provide.

Projected attendance:

Film/Video	3,500

Retail

A strong retail presence is an important component of the overall vision. Retail will include a significant inventory of high quality contemporary craft from the Artisans Center of Virginia, CD's of performers at the center and *Planet Arlington* events, sales through Ticketmaster and related merchandise including art books and Planet Arlington items. The retail entities will help drive significant daily traffic to the center, help build audiences for programming, and generate revenue.

Projected attendance:

Artisan Center of Virginia	20,000

Cafe/Bar

Busboys and Poets will provide food and drink service for most of the programming in the facility. In addition, it will operate a cafe for the public which will attract additional day and nighttime attendance. Additionally, from May to September the TERRACE will offer an outdoor bar and opportunities for live music.

Projected attendance:

Busboys and Poets	35,000
Busboys and Poets events	6,000

Rentals

A significant component of the earned income projected in the facility budget is derived from renting various spaces during times when arts programming is not scheduled. The DOME will be available for rent during the weekdays and some weeknights for meetings, workshops and events (150 rentals projected). The TERRACE GALLERY can accommodate corporate receptions, parties, weddings and fundraisers (36 rentals projected.) The BALLROOM can accommodate commercial and private dance events, exhibitions requiring booths, and large meetings. Weekend rentals are possible when the Black Box is dark. (24 rentals projected.) The BLACK BOX and the upper tier of the TOWN SQUARE can accommodate smaller meetings and breakout sessions for larger conferences (20 rentals projected.) Currently we are unable to meet the high demand for rental of the SPECTRUM, so by moving some events that are scheduled at the SPECTRUM to a more suitable space at the center, we will be able to expand performance time for SyneticTheatre in the Spectrum.

Projected attendance:

Dome rental	30,000
Rosslyn Spectrum	52,000
Exhibition Area	5,400
Ballroom	11,200
Black Box	2,400
Upstairs/town hall	3,750
Entire facility	1,000

Miscellaneous Programs

Through a partnership between Busboys and Poets restaurant and Cultural Affairs, a speaker/lecture series will be presented on weeknights in the DOME. The DOME will also be used for workshops, large discussion group events, occasional comedy shows, various performance art happenings and "open mike" events. The "open mike" evenings will be coordinated by community "producers" to encourage emerging talent, e.g. cabaret, singer/songwriter, comedy, garage bands, poetry, etc.

Projected attendance:

Education Programs	1,200
Misc. Programs	2,000
Supported programs	3,000
Dome programs	24,375

Ticketing/Arts Promotion Services

The center will offer a ticket service that will allow visitors to purchase tickets to any arts event offered within County. Our goal is to partner with a ticket service and be able to offer tickets to a wide range of regional and national events as well as all County-wide arts events. The center will serve to promote all Arlington arts events and provide information and brochures for these activities. Generally we believe that people already visiting the center will take advantage of this service and it will spur greater attendance to arts events in other County locations so we are not projecting increased visitors as a result of this activity.

Marketing Overview

Our objective will be to establish the center as "the" community gathering place of first choice for Rosslyn's resident and daytime populations, and, as a regional cultural draw to multiple audiences from throughout Arlington and the Metro region. Upon selection of a name for the facility, staff will work with an advertising agency to develop an overarching promotional campaign that will build general awareness of the center, create buzz within the region and build anticipation for the opening. Currently, staff is negotiating with an ad agency to develop a pro-bono and trade relationship to secure their professional services. We anticipate that this campaign will focus on the emergence and opening of the facility and the development of a logo and website for the center. As we begin work with the agency a more complete marketing campaign will be formulated Local and regional strategies that we have developed to date include:

Local Promotion and Outreach

Effectively cross-market the center and its abundant offerings (dance/band nights, Ticketmaster, Wi-Fi, concerts, gallery, etc.) to the culturally-inclined clientele of the venue's resident companies and businesses—Washington Shakespeare Company, Busboys and Poets, Synetic/Classika Theatre, Ellipse Arts Center, Artisans Center of Virginia, etc.

Promote the venue as "open community space" among Rosslyn residents—highlighting the café, Wi-Fi, and the community-focused DOME activities. Regional and local efforts will support each other, marking the center as a vibrant place where locals will naturally gather.

Begin scheduling meetings/events of key community organizations and businesses in the Dome and/or TOWN SQUARE space as soon as possible. These organizations will include:

- North Rosslyn Civic Association
- Rosslyn Renaissance
- Corporate Executive Board
- Rosslyn BID
- Radnor/Ft. Myer Heights Civic Association
- Art Institute of Washington
- Government Services Administration

Develop high-end promotional materials to attract potential rental business – Implement First-Use rental discount promotion.

Additional local outreach will include:

- Promotional item give-aways – distributed widely in the Arlington residential and business community, announcing the venue's opening.
- *Georgetown Connector* Bus Posters
- Local Articles: *Rosslyn Magazine; Washington Post* Arlington "Extra"; *Georgetowner* and *Hoya* newspapers; *Arlington Connection; Sun Gazette; Arlington Citizen.*
- Collaborate with Rosslyn BID to promote center through their website, magazine, and media outlets
- Local e-blasts: What's Up Arlington; *Arlington Artsletter*

Regional Promotion and Outreach

By design the center benefits greatly by having as its "anchors" a broad range of regionally-branded entities which will bring their own already extant, arts-inclined audiences to the facility. Outreach and advertising will support these efforts and solidify the center's identity as a regional cultural destination through a coordinated marketing campaign. This will include:

Broadcast Media Outreach

An aggressive launch campaign will target regional broadcast, electronic and print media coverage of the new ASE venue. Enhancing the strong relationship that Cultural Affairs has with regional media, additional efforts will include:

- Live *Fox Five Morning News*
- COMCAST promotions and Newsmakers spots
- Pursue multi-faceted coverage by *The Washington Post*, such as an article by Jacqueline Trescott (national and regional culture reporter), as well as architectural and business perspectives on the venue.

Electronic Media

Aggressive steps will be undertaken to place the center on the radar of the electronic media, with outreach and access afforded to key websites, email lists, blogs, and electronic entertainment calendars ranging from *DCist* to *Daily Candy*. While many of these relationships currently exist, the sporadic nature of our current programming schedule limits their effectiveness.

Print Display Advertising:

Weekly 1/4 to 1/3-page display "strip" ads will promote the range of the center's offerings for each week. Following established successful regional arts industry practices, these ads will be placed in publications where both the arts-inclined and occasional arts user seek cultural information: *Washington City Paper; Washington Post* "Weekend"; and other publications.

Opening Events

The opening of the facility provides an opportunity to make a big splash and introduce people from throughout the region to a new, unique and exciting cultural amenity. Either independently or in conjunction with Planet Arlington Festival the center will host a free week long "Open House" that will animate the space, bring a critical mass of people into the venue and make their initial experience in the center spectacular. We will use our strong relationships with the local media to develop "media sponsorships" with ABC 7, NBC 4, Comcast and The Washington Post or City Paper, resulting in publicity on the level of that of the *Planet Arlington Festival*.

Economic Impact Information

Staff looked at two different formulas for determining the economic impact that the center will have on the County. Both formulas were developed by Americans for the Arts, the country's arts advocacy and service organization.

National Average Multiplier

The formula uses a national average multiplier to determine the local impact of a specific arts activity. The calculator (chart follows) uses the regional population, in this case 1,000,000+, from which the art audience is drawn, and first year expense and attendance projections. Using this formula the total industry impact of the center is **$11,500,872.** Local government revenue from the activity is projected at **$558,583** and state revenue is projected at **$590,882.**

Arlington Economic Impact of the Arts 2006 Study

The second chart is based on the 2005 "Arts & Economic Prosperity" study which determined that Arlington audiences' average spending is $18.17 for residents and $39.38 for non-residents, excluding the cost of tickets. Assuming a 50%-50% audience split for the cultural center, that translates into $18.17 x 150,000 = $2,725,500 (residents) and $39.38 x 150,000 = $5,907,000 (non-residents) for a total of **$8,632,500** direct event-related expenditures annually.

Attachment 2

Staff List

Reallocated:

Director (1.0 FTE): The manager of the center, responsible for administering the facility on a day-to-day basis, overseeing programs, operations and staff, preparing annual budgets and capital improvement plans, monitoring performance, marketing the facility in Arlington to audiences, users and other elements of community

Visual Arts Curator (1.0 FTE): A full-time curatorial position to manage the exhibition and educational programs of the gallery and other visual arts programs around the center.

Programmer (0.5 FTE): Assists the Program Director and other program staff with program development and logistics.

Education Coordinator (0.5 FTE): Responsible for the development and execution of educational programs in the center, primarily—but not limited to—support of gallery programs The coordinator will work closely with the schools, and also the education staffs of Arlington-based organizations using the center for the delivery of their education programs.

Theatre Tech Temps (1.0 FTE): Provide technical support of the theatre and gallery spaces and staff the center presented events requiring lights and sound. These positions are in addition to the technicians connected to the supported organizations using the center.

Rental Manager (1.0 FTE): Oversees the entire rental program and catering services (solicitation of clients, contracts, etc.) and coordinating scheduling with the Facilities Director and technical staff.

New:

Education Coordinator (0.5 FTE): See above—this is a .5 FTE increase in the reallocated position.

Program Director (1.0 FTE): In charge of the direct programming, negotiation of contracts, setting of the season, coordinating marketing efforts and the management of relationships with partner organizations.

New Media Curator (0.5 FTE): An integral member of the programming staff who will work with both performing and visual arts to be sure that the programs keep pace with the emphasis on new technology that is so dominant in our culture and especially with the under 35 demographic.

Admin Support (1.0 FTE): Supports the administrative needs of the center and senior staff.

Facility Manager (1.0 FTE): Oversees the scheduling process of all presentations and rentals, negotiating supplier contracts and maintaining the physical plant.

Marketing Assistant: (1.5 FTE): Responsible for the marketing and promotion of events, with a special focus on developing new markets for the visual arts, including the development of promotional materials, media buying, public relations and publicity, and the use of various online marketing tools.

Theatre Tech (1.0 FTE): In charge of backstage operations of performance and gallery spaces, and the technical aspects of production in the facility. He/she is charged with maintenance, the safe and responsible use of stage equipment and facilities, scheduling all crew calls including load-ins, changeovers, show calls and load-outs, and coordinating with front of house activities.

Assistant Facility Managers (2.0 FTE): These are cross trained positions with one emphasizing box office management and one coordinating an active pool of volunteers (ushers, etc.). They will run the ticket office and be accountable for a high daily volume of cash and credit transactions, working closely with the budget analyst to prepare daily audit reports and maintain accurate records and account balances. The positions also work closely with both partner and rental organizations to coordinate their ticketing and volunteer usher needs.

Temps: (5.0 FTE): These are cross trained facility and technical positions to provide support for the center's operations and programs.

Development Director (1.0 FTE): Will plan and oversee the center's development activities to solicit funds and/or grants from local, state and federal sources including foundations, corporations, and individuals.

Budget Analyst (1.0 FTE): This position will serve as the chief financial officer of the center and will work with the Director and all staff to prepare and monitor all budgets against the projected expense and revenue targets.