



**New Cultural Center & Artists Flats
Summer 2020 Working Group #2**

Working Group Meeting #2 – NCC Programming and Operations

Agenda

- Welcome and Introductions
- Program Background
- Overview of Programming and Operations
- Operational Budgets and Risks
- Follow-Up From Working Group #1
- Opportunity for Public Comments
- Future Meetings & Topics

New Cultural Center Program Background



Background of NCC Programming

- Downtown Columbia Plan and Webb Study highlighted need and opportunity for Arts and Cultural Center
- Howard County Arts Council (HCAC) identified as initial tenant, planned to relocate operations from Rockland facility to NCC
- Project financing required additional \$21 to \$28 million
- HCAC was not set up to support its share through revenue or fundraising
- Dept. of Recreation and Parks could provide similar programming, as well as generate revenue

New Cultural Center

Overview of Programming and Operations



Dept. of Recreation and Parks Programming

Provide arts and culture classes for residents of all ages:

- Fine Art: Film, gallery shows
- Trips and Tours: Lectures and museum visits
- Studios/Maker Spaces: Photography, painting, drawing, pottery
- Theater and Dance: Festivals, dance lessons, professional performances, class performances
- Music: Instrument lessons, vocal, recording
- Adult/Active Aging: Paint & Sip, drawing, knitting, photography, writing



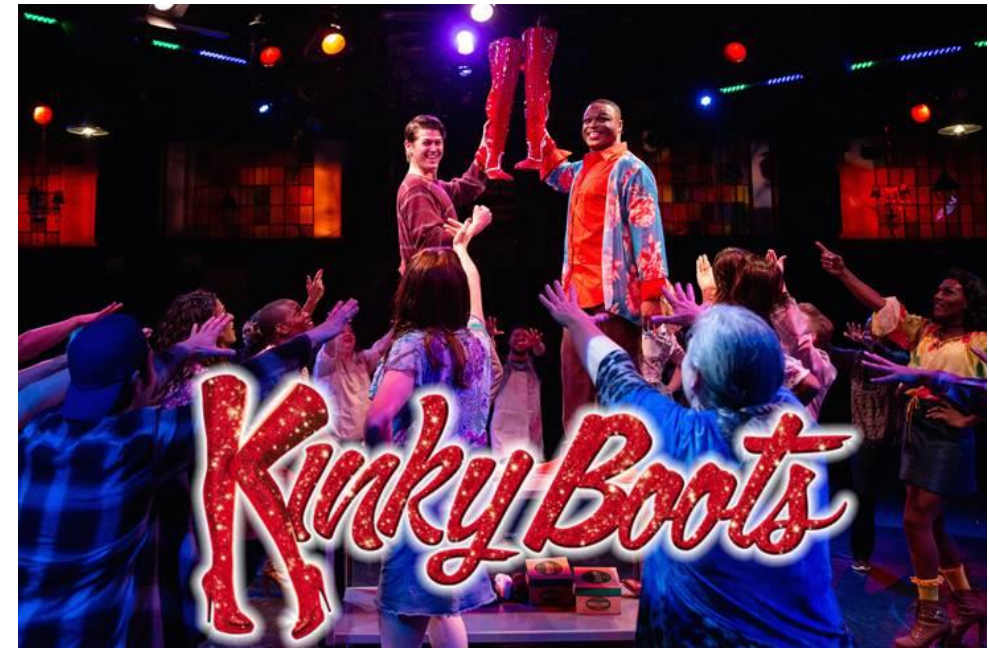
Dept. of Recreation and Parks Programming

- Supplemental Programming: Ensure that spaces are in use 7 days a week, morning through evening. Options include:
 - Camps
 - Preschool Activities
 - Sensory Room: Provide learning environment for children and adults with autism and developmental disabilities
 - STEAM Classes to supplement art and design
 - Health and Wellness
 - Permitting of spaces for private use
- HC Arts Council Role:
 - Curate exhibitions in gallery
 - Artist in residence studio
 - Performances in black box theater



Columbia Center for Theatrical Arts Programming

- Toby's Dinner Theater has been operating for over 40 years
- Over 300 performances a year
- Range of productions at affordable prices
- Over 100 Helen Hayes Awards recognizing excellence in theater in the D.C. area
- NCC to provide new facility for Toby's
 - New theater in the round
 - New commercial kitchen and buffet
 - Provide a modern and comfortable setting for theater patrons



Columbia Center for Theatrical Arts Programming

- CCTA Founded in 1972: Mission is to educate through the arts by creating theatrical experiences that “inspire thought, action, creativity, and change”.
- CCTA currently operates in scattered locations across Howard County.
- NCC facility allows CCTA to centralize operations and dramatically expand classes and offerings:
 - Dedicated Children’s Theater (Black Box Theater)
 - Musical Theater Training
 - Creative Writing, Play Analysis, Scene Study
 - Audition Prep, Acting for the Singer, Stage Combat
 - Beginner and Advanced Dance Classes
 - Behind the Scenes of Technical Theatre
 - Puppetry, Clowning, Improv Classes
 - Performance Based Classes



CCTA - Special Programming



Change a child's life
through the arts

Special Needs
Programs

The Young Columbians



INTRODUCING THE LABELS PROJECT

FLEDGLY/FLEDGLY!EGGSACTLY LIKE ME

A project designed to instill good values, and to encourage our children to respect one another.



The Labels Project

New Cultural Center

Operational Budgets and Issues



Summary of Current Operations

- Toby’s Dinner Theater will be gifted to become part of non-profit CCTA when it moves into the NCC. Toby’s costumes & sets alone valued at over \$2 million.
- Attendance and gross revenue have been strong and grown over the past 3 years.
- Subscription sales have doubled over past 5 years to almost 8,000. This guarantees up to 40,000 presold seats.
- Demand for theater is growing: 2019 was highest grossing and best attended season for Broadway / Touring shows.

Annual Attendance	2017	2018	2019
Non-Group	65,983	74,277	72,993
Group Sales	31,116	27,405	26,127
Mainstage - Total	97,099	101,682	99,120
Youth Theater	16,292	14,184	18,872
Total Patrons	113,391	115,866	117,992

Revenue	2017	2018	2019
Gross Revenue	\$4,842,000	\$4,963,000	\$5,086,000

Summary of Current Operations - Continued

- Washington, DC area is one of the strongest theater markets in the nation
- Toby's is a regional theater destination, with customers from around the state

Residence of Patron	% of Patrons
Columbia	30%
Baltimore Area	25%
PG and Mont. County	22%
Frederick and Western MD	8%
Southern MD	2%
Northern Virginia	2%
Other	11%

CCTA Operations

- Serves 30,000 children annually
- Gross revenue of \$518,414 in Fiscal 2019 (Form 990)
- Approx. \$200,000 in grants and \$300,000 from program fees and show revenue

CCTA – Stabilized Operations

Dinner Theater

- Seating capacity in new theater expanded by 10%
- Annual attendance projected to grow to 110,000
- New kitchen allows for more varied dining options and additional revenue
- Total revenue projected to grow by at least 10% to 15%

CCTA Programs

- Programming can grow significantly with new classrooms, studios, and black box
- Growth to be phased in, projected to serve up to 215,000 annually

Sufficient Revenue for Lease Payments

- Lease payments are \$750,000 in 2025, will grow by 3% per year.
- Current net revenue from Dinner Theater and CCTA programs is sufficient to cover lease payments. Growth in revenue will provide additional coverage.

CCTA – Risks & Mitigation

- **Risk of reduced demand for theater, CCTA unable to support lease payments**
 - Main theater and black boxes are flexible space, can be used for other types of theater or performances
 - DRP can permit space to other users as appropriate and needed
 - Toby's has been profitable for over 40 years
 - Demand for theater has proven to be resilient after severe economic shocks
- **CCTA Leadership Transition**
 - Mark Minnick to lead CCTA operations in the NCC
 - Has been with Toby's since 2007, taking lead roles in both theater production and business operations
 - Over 20 years experience in theater production, direction, casting, and management

DRP – Operating Projections

Revenue to be generated through:

- Fees for Classes, Camps, Membership, and Events
 - Projected annual attendance of 225,000
- Fees for permitting space for private events (Hourly Rates Below)

Space	Resident Rate	Non-Resident Rate
Art Studio	\$50	\$60
Black Box	\$75	\$100
Gallery	\$75	\$100
Lobby	\$100	\$150
Terrace	\$300	\$375

DRP – Operating Projections

Stabilized Annual Operating Revenue

Program Area	Projected Income
Permitting Program	\$216,000
Classes/Camps/Memberships/Events	\$653,000
Total Revenue	\$869,000

- Revenue projections phases in over first several years of operation
- Fees and use are based on usage at other DRP and Howard County facilities

DRP – Operating Budget

- Operations of the facility will require 6 full time staff:
 - Facility Manager
 - Assistant Facility Manager (2 positions)
 - Arts Program Coordinator
 - Arts Customer Service Technician (Front Desk)
 - Facility Maintenance Worker
- Additional Part-Time and Contingent Staff to be used as needed for evenings, weekends, and special events

Expense	Amount
Full Time Staff	\$315,000
Part Time Staff	\$340,000
Contractual	\$50,000
Supplies	\$50,000
Total	\$755,000

DRP – Financial Risks & Mitigation

- Estimates on rental income are conservative, no annual escalation included.
- Shortage of meeting and event space in Howard County will likely drive higher use than projected.
- DRP has proven formula for income and expenses used at other facilities.
- Contingent staff are only utilized if strong demand for facility use.
- Mix of classes can be adjusted to meet demand and revenue.



Howard County DRP is a Leader in its Field:

- One of only 171 Recreation and Parks Departments out of 10,000 to achieve national accreditation.
- DRP has met 151 best practice standards to maintain a perfect score for almost 20 years.

Facility Operations – Department of Public Works (DPW)

- DPW will provide facilities management services including:
 - Mechanical and electrical systems
 - Communications and security systems
 - Building envelope maintenance
 - Custodial services
 - Building security
 - Grounds management
 - Parking garage maintenance
- DPW will manage lease with CCTA
- CCTA responsible for their share of utilities and CAM (Common Area Maintenance)
- DPW provides services to DRP at other facilities
- Projected Budget is based on DPW costs for other comparable County facilities

NCC Facility Budget

Portion of Building	Size	Cost	Total
CCTA	76,416 SF	\$2.50 per SF	\$191,039
Dept. of Recreation & Parks	42,712 SF	\$7.38 per SF	\$315,217
NCC Garage	452 Spaces	\$300 per Space	\$135,600
TOTAL			\$641,856

New Cultural Center

Follow-Up from Working Group #1



Building Delivery

Developer will provide a fully completed, move-in ready building

- All flooring and carpet installed
- All painting completed
- All lighting installed
- Hook-ups for kitchen and other equipment
- Bathrooms complete
- All systems complete (HVAC, electric, plumbing)

FF&E is to include:

- Furniture (theater, studios, offices)
- Equipment (theater, studios, offices)
- Kitchen appliances and equipment
- Café and dinner buffet furnishings
- Decorating (lobby, reception, and other common areas)

FF&E Budget – Capital Budget and CCTA

Item	Capital Budget (Allowance)	CCTA Portion	Total
Main Theater Fit Out	\$243,750	\$756,250	\$1,000,000
Black Box Theater Fit Out	\$85,000	\$915,000	\$1,000,000
Backstage & Offices	\$32,500	\$117,500	\$150,000
Kitchen Fit Out	\$53,000	\$947,000	\$1,000,000
Dining and Café	\$105,000	\$195,000	\$300,000
Public Areas (Lobby, Reception, Box Office)	\$76,000	\$74,000	\$150,000
Classrooms & Dance Studio	\$0	\$85,000	\$85,000
Total	\$595,250	\$3,089,750	\$3,685,000

Other Issues

- Debt and Operational Reserves
 - A debt reserve would not be required for GO bonds
 - The bonds secured solely by tax increment revenues would require a reserve fund which is included in TIF financing
 - Budget includes construction contingency of 5% of hard costs
- Spending Affordability Review Committee
 - Committee only reviews bonds expected to be primarily supported by the general fund. NCC bonds are to be supported by TIF and project revenue.
- Potential for Sale of Rockland Property
 - Other tenants beside HCAC at property
 - Sale will require a County process to dispose of asset
 - Redevelopment uses and potential value for site may be limited due to site constraints (schools, traffic, parking)

Comparison to Other DRP Facilities

New Cultural Center – DRP Portion is ~42,000 SF

North Laurel Community Center - 64,000 SF

- Picnic pavilion
- Basketball and Tennis courts
- 24,000 square foot Skate Park facility
- Multipurpose field and Ball diamonds

Roger Carter Community Center - 47,000 SF

- State-of-the-art fitness and weight areas
- Indoor 6-Lane 25-Yard Swimming Pool
- Indoor walking/jogging track
- Gymnasium, Group exercise/dance studio
- Preschool activity room / Meeting rooms available for birthday parties & rentals

Robinson Nature Center – 28,000 SF

- Interactive and multi-sensory exhibit
- Nature Sphere & Children’s Discovery Room
- Meeting rooms available for birthday parties, meetings, and rentals
- Indoor nature, history, astronomy, science and heritage exhibits
- Art Exhibition Spaces for local and regional artists

New Cultural Center

Opportunity for Public Comment



Future Working Group Meetings and Topics

- **Meeting #3 – Housing Issues, Compliance Issues, and General Oversight**

August 11 – 3 to 5 pm

- **Additional Working Group Session as Needed**
- **Housing Affordability Public Forum**

September – Date and Time TBD



**New Cultural Center & Artists Flats
Conclude July 30, 2020 Working Group**