

**DUBLIN CITY COUNCIL
FINANCE COMMITTEE MEETING
Tuesday, September 8, 2015 – 6:00 p.m.
Council Chambers**

- Call to Order
- Requests for Hotel/Motel Tax Grant funding
 - Ohio University's College of Fine Arts - Summer Theater Program
 - Dublin Arts Council/City of Dublin Cultural Plan
- Adjourn



City of Dublin

Office of the City Manager

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Memo

To: Finance Committee Members
From: Dana L. McDaniel, City Manager 
Initiated by: Michelle L. Crandall, Assistant City Manager
Date: September 3, 2015
Re: Hotel/Motel Funding Requests

Background

Two time-sensitive hotel/motel tax funding requests were brought forward to City staff last week and, as a result, staff is requesting consideration of these requests by the Finance Committee of Council. Recommendations of the Finance Committee related to these requests would be considered by Council at the September 21, 2015 Council meeting.

Ohio University's College of Fine Arts - Summer Theater Program

This request is for \$30,000/year for three years beginning in 2016, to assist in the lease costs for space identified within the Dublin Village Center that would serve at the Theater's home for four to five years. In 2015, Dublin City Council funded a hotel/motel tax grant to Ohio University to defer rental costs for the 2015 Summer Theater, assuming one of the Dublin City Schools' theater facilities would be used. The summer program did not move forward in 2015, and therefore those funds will not be used.

For the past 12 months, staff has been working closely with Ohio University to help identify space for a summer theater program. The University has looked at several locations and recently went forward to the Provost to propose a year-round lease of space within the Dublin Village Center (for three to five years). Attached are pictures showing the location being considered.

The University's total three-year investment to lease and build out the space is approximately \$875,000. City staff has had preliminary discussions with the University about the possibility of the City "sub-leasing" the space to offer (or jointly offer) cultural and educational programming during times when the Summer Theater Program is not using the space. This scenario would allow the City, Ohio University and the Dublin Arts Council to work cooperatively throughout the year to provide cultural and performing arts activities/events within the space that would engage and celebrate our community's cultural diversity.

Attached is the proposal the Ohio University College of Fine Arts (COFA) presented to the Provost, which details two theater location options within Dublin. The first option is the leased space with the Dublin Village Center. The second option is conversion of a large tent within Coffman Park adjacent to the pavilion. This anticipates use of the tent that is connected to the Emerald Club during the Dublin Irish Festival for use before and/or after the Festival. This second option proved more costly than the year-round leased space. Therefore, the first option

has moved forward as the preferred choice. The College of Fine Arts is hoping to make a final decision on this location soon so they can begin planning for the 2016 season. The plan received favorable review by the Provost; however, the College of Fine Arts was asked to secure cost sharing with the City for a portion of the lease and to look at other opportunities to reduce overall costs.

Dublin Arts Council/City of Dublin – Cultural Plan

This request is for \$25,000 in 2015 to complete a cultural plan for the City and a request to defer one year of the Art in Public Places funding to be allocated as a one-to-one match toward a National Endowment for the Arts (NEA) grant proposal to implement elements of the cultural plan. In 2015, Dublin City Council funded a hotel/motel tax grant to DAC in the amount of \$14,750 to begin the process of developing a cultural plan. This first phase is now complete, and the DAC and the City are in a position to move forward with the development of a comprehensive plan.

The completion of a strategic cultural arts plan and the identification of a cultural arts district (which would likely encompass all of the Bridge Street District) will allow for sound planning of cultural arts within the District, but will also set the foundation to secure grant funding for implementation of cultural plan components. The built environment in Bridge Street will be a great draw for residents and visitors, but how the space is activated with art, cultural activities, events and performing arts is an aspect that will set the District apart from similar redevelopments and will create a greater sense of place and sense of community.

There is a current opportunity to apply for a National Endowment for the Arts (NEA) "Our Town" grant to implement components of a cultural plan. The grant deadline for the initial abstract is September 21. To be successful in this first round, the City and DAC would need to have funds secured for the development of the Cultural Plan and ideally have an RFP advertised in September. The funding needed for this plan is estimated to be \$30,000. Crawford Hoying has verbally committed \$5,000 toward the cost of the plan.

The grant request to NEA is a 1:1 match of funds. The DAC is recommending forgoing one year of the Art in Public Places funding of \$75,000 to provide this match. This is similar to what occurred with the art element associated with the I-270/US33 interchange project. DAC has also requested that Crawford Hoying participate in adding funds to this \$75,000 match. That commitment is currently under consideration.

Recommendation

Staff is recommending approval of both of these hotel/motel fund requests. Should you have questions prior to the Finance Committee meeting, please contact Michelle Crandall at 410-4403 (desk) or 206-4886 (mobile).

Ohio University – Potential Theater Site



**Ohio University's
Tantrum Theater**

**Summary of Current Status and
Business Plan
August 2015**

Purpose, Accreditation, and Competitors

The primary purpose of the project is to create a professional theater allowing our students to gain mentorship and training through professional practice and apprenticeship.

Accreditation

The Theater Division maintains membership with U/RTA (University/Resident Theater Association) and accreditation through (NAST) the National Association of Schools of Theatre.

These associations mandate that professional training programs must maintain ongoing connections to professional theaters. With the relationship with Monomoy dissolved, the department must seek out a new connections.

The NAST review occurred in Fall 2014 and the reviewers note in their report that the department is pursuing the creation of a professional theater in Dublin. The Division will be reviewed again in seven years.

The theater faculty and staff work to maintain professional connections through their own outside work, however non-University controlled relationships are inherently not training centric and are subject to the needs of the professional theater.

The geographic location of the university further makes these relationships difficult as many professional theaters produce only during the traditional academic year.

Next summer alone, Tantrum would offer a professional summer experience for up to 50 Theater Division students.

University Competition

Universities often establish professional theaters as a way to maintain control over the artistic training of their students while allowing the university to interact with the community.

Some of our biggest competitors have professional theaters attached to them:

- University of North Carolina, Chapel Hill—PlayMakers Rep
- University of Tennessee—Clarence Brown Theatre
- University of Missouri, Kansas City—Kansas City Rep
- Florida State University—Asolo Rep
- University of Connecticut—Connecticut Repertory Theatre
- Penn State—Penn Centre Stage

Tantrum's Artistic Mission

Our mission is to create and propel forward a resident professional theater company and training conservatory in Dublin, Ohio in a partnership between the City of Dublin, the Dublin Arts Council, and the Ohio University College of Fine Arts and Theater Division. We seek 1) to connect and impact the Dublin and Athens communities through educational outreach and culturally diverse innovative programming that encompasses multiple theatrical disciplines, 2) to develop new work and offer new points of view on classic stories that have contemporary relevance, and 3) to offer opportunities for intercultural exchange.

Current

CITY OF DUBLIN AND THE DUBLIN ARTS COUNCIL

- The City and the Arts Council have been so involved that they helped draft our mission statement.
- The City of Dublin has offered us the use of the tent grounds and will help us promote the shows. CoFA recently participated in an Arts Visioning Workshop with the City of Dublin.

Developing

- Dublin City Schools (Investigating College Credit Plus)
- Greater Columbus Arts Council

Future

- Ohio University programs in Dublin
- Columbus City Schools

Recruiting Potential, Alumni Visibility & Reputation

Recruiting Potential

Dublin City
Schools exceed
15,000 students

All three high schools offer **high quality theater programs** making it more likely that their students will have had exposure to the possibility of pursuing the craft in college

Dublin is a **prime recruiting target** for the Theater Division

More than 90% of Dublin high schoolers attend a four year college

More than 80% participate in extracurricular activities including the arts

Tantrum will capitalize on this by offering educational workshops to high school students and offering at least one show a season that is family friendly. **During years one to three, the educational workshops would accommodate up to 40 high school students a summer**

Recruiting Potential, Alumni Visibility & Reputation

Alumni Visibility

Alumni Visibility

Theaters give universities a place to engage alumni at a social venue. Ohio University has close to 23K alumni within 25 miles of Dublin. **And 34K within the greater Columbus area.**

Recruiting Potential, Alumni Visibility & Reputation

Reputation

Adding an arts component to the current medical, health, and science programming in Dublin gives **Ohio University** a substantial and well rounded presence in Central Ohio.

Reputation

Each year, we'd have the potential to reach over **6,300 members of the public with performances alone**, many more would be exposed to the marketing for the productions.

Budget

Current budgeting models suggest that the theater's budget will run approximately 850K annually (plus the cost for space) during incubation period (years 1-3).

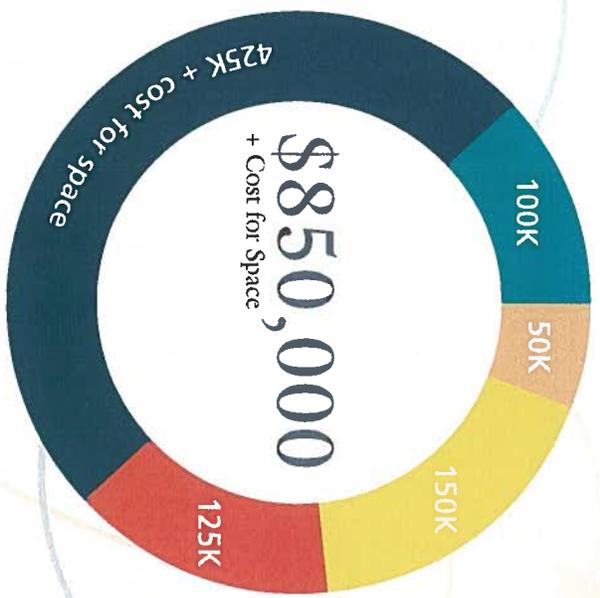
INDIVIDUALS

Advancement believes that the department will need up to 18 months to get mine and cultivate a group of donors who can give 100K annually, though can begin an aggressive initiative as soon as we secure University commitment.

- Within 25 miles of the 43017 zip code (Dublin) there are 22,729 alumni (21,352 households)
- In the greater Columbus area there are 34,275 alumni (32,271 households)
- In the greater Columbus area there are 1,210 Fine Arts Alumni (1,190 households)
- Of these 1,210 alumni, we would consider 96 of them to be major gift prospects based on Recher ratings (MG EY1 85 and up, Net Worth \$500,000 and up)
- An initial feasibility study showed there is likely money available to support a professional mid-sized theater in Dublin, however, the study also indicated that the money would likely be pulled from existing arts organizations. Two professional theaters in Columbus raise a total of just under a million dollars annually.

TICKET SALES

Ticket sales in this model are listed conservatively and only assume the theater can sell at 50% of capacity with a \$27.50 ticket in the first year. Capacity and ticket price will increase in future years.



*Graphic shows year two to include contributed income from fundraising

- Individual Contribution
- Ohio University Subsidy + Cost for Space
- Corporation & Foundation Contributions
- College of Fine Arts Subsidy
- Ticket Sales, Educational Workshops, and Concessions (earned revenue)

CORPORATIONS AND FOUNDATIONS

Initially, corporate funding competition will be significant if funders are supporting other Ohio University programs or the Arts Council but there are at least two foundations that offer funding that would be attainable—Columbus Foundation and Greater Columbus Arts Council.

COLLEGE OF FINE ARTS

The College of Fine Arts will commit \$150,000 annually to subsidize the theater.

OHIO UNIVERSITY SUBSIDY

- Peer University Benchmarks (per show)
- Syracuse Strage: \$389,963
- Asolo Repertory: \$51,235
- Clarence Brown: \$107,335

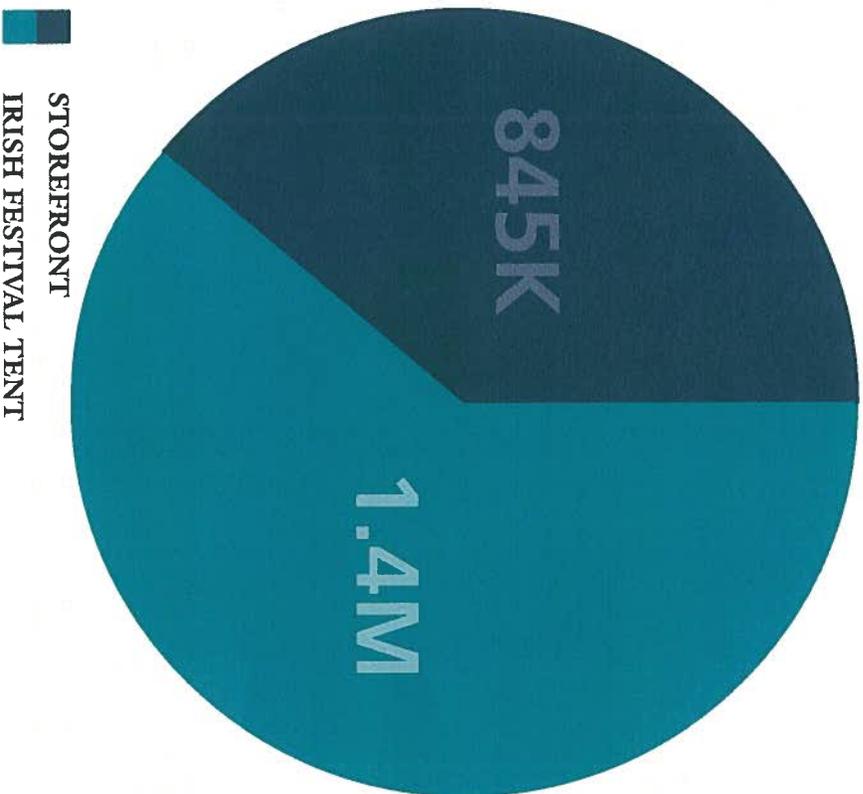
Ohio University Projected Need

During year one, to accommodate for Advancement's need to ramp up fundraising, Tantrum would need to be subsidized at approximately \$605,000, plus the cost of the facility. In year two, this would drop off to \$425,000, not including the cost for space. This equates to \$201,000 per show during year one and \$141,000 during year two. In the long-term it is likely the university subsidy would average \$125,000 per show, plus the cost of space.

Facilities

Storefront vs. Tent

Total Facility Cost for Incubation Period (years 1-3)



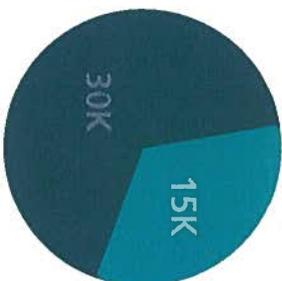
■ STOREFRONT
■ IRISH FESTIVAL TENT

Cost to Convert



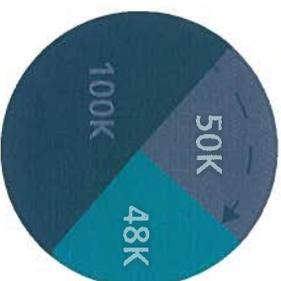
■ STOREFRONT (ONE TIME COST)
■ IRISH FESTIVAL TENT (ANNUAL)

Annual Utility Cost



■ STOREFRONT
■ IRISH FESTIVAL TENT

Annual Facility Rental



■ STOREFRONT
■ IRISH FESTIVAL TENT
■ STOREFRONT RENTAL INCREASE

What we know

- In order to maintain a program that prepares students to be working professionally, the Theater Division needs to have strong affiliations with professional theaters. Our geographic location makes it difficult for us to do this in Athens. Many universities accomplish this by developing a professional theater using a “teaching hospital” model.
- The City of Dublin is the strongest candidate for the location of this type of theater. Ohio University already has established programs in the City of Dublin. Tantrum’s steering committee has developed a strong partnership with the City of Dublin and the Dublin Arts Council. The city’s demographic and psycho-graphic suggest that the Dublin market could support a professional mid-sized theater. A feasibility study supports this as well.
- A theater could offer the University a landmark opportunity to become known in Central Ohio for their commitment to the arts, and a theater would give the University a social venue to cultivate the Columbus alumni base as well as the Dublin community.
- Tantrum would be able to offer control of our students’ educational experience if the theater is part of the University making us again competitive in the recruitment market.
- The city plans on building a performing arts center as part of the Bridge Street project.
- Costs will exceed Monomoy. In later years, Ohio University paid Monomoy 60K annually for rent and 30K annually for taxes and insurance with some additional funds needed each year for facility repairs.
- Dublin will provide a greater reach to alumni for fundraising for the university than Monomoy and also greater influence and visibility for recruitment for the Theater Division.

What we don’t know

- Accurate audience attendance and revenue projections. Current revenue projections are exceedingly conservative. We do know arts affinity exists in Dublin, but we don’t know if the kind of programming Tantrum will offer will appeal to the community. Every effort will be made to include one family friendly show a season, as well as address the need for multicultural representation.
- Final costs. Theater budgets in their first years are always moving targets. This is the first time the Theater Division faculty has joined together to create a producing company without an infrastructure already in place. Consultants and vendors are still calculating exact costs.
- Probability of permanent residence, and who would fund it. Funding a 20-40 million dollar arts facility is difficult even for affluent communities.
- Alumni interest in supporting theater in Dublin. Alumni interest in Monomoy was limited though the markets are completely different. There was, however, considerable *community* support for Monomoy.
- Which donors can be cultivated. The College of Fine Arts has a limited donor pool. Advancement will likely need three times the number of prospects Fine Arts currently has in the area. Based on the College’s history we know that cultivating only College of Fine Arts donors is likely to produce weak result. The University will have to support a more donor-driven campaign to increase contributed income to make the theater’s contributed income sustainable.
- The most appropriate facility. Both the storefront model and the Irish Festival tents have considerable costs.

Consultants, experts, and sources

REPORT PREPARED BY RACHEL CORNISH WITH INPUT AND RESEARCH FROM:

- Theater Faculty: Michael Lincoln, Dan Dennis, Bob St. Lawrence, Lowell Jacobs, and Dan Denhart
- Michelle Crandall, Assistant City Manager, City of Dublin
- David Guion, Executive Director, Dublin Arts Council
- Greg Kandel, Management Consultants for the Arts
- Duncan Webb, Webb Management Services
- Bob Shook, Schuler Shook (Theater Facility Consultants)
- Dawn Schuette, Threshold Acoustics
- Americans for the Arts- National Arts and Economic Impact Study
- Dublin City Schools
- Actri-Dyne Research- Dublin Sense of Place study
- Dublin Ohio National Citizens Survey
- 2010 and 2013 Dublin Community Survey
- Recher
- Connections at Asolo Rep, Clarence Brown Theater, Kansas City Rep, PlayMakers Rep, Connecticut Rep.
- NAST Visit Report
- Monomoy Records
- Advancement: Bryan Benchoff, JR Blackburn, Jay Kahn, and Matt Roberts