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Performing Arts Facilities Planning

MONTGOMERY COUNTY, MD –
WHEATON

ARTS & CULTURAL FACILITIES
FEASIBILITY STUDY

FINDINGS & PRELIMINARY
RECOMMENDATIONS

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EXECUTIVE SUMMARY

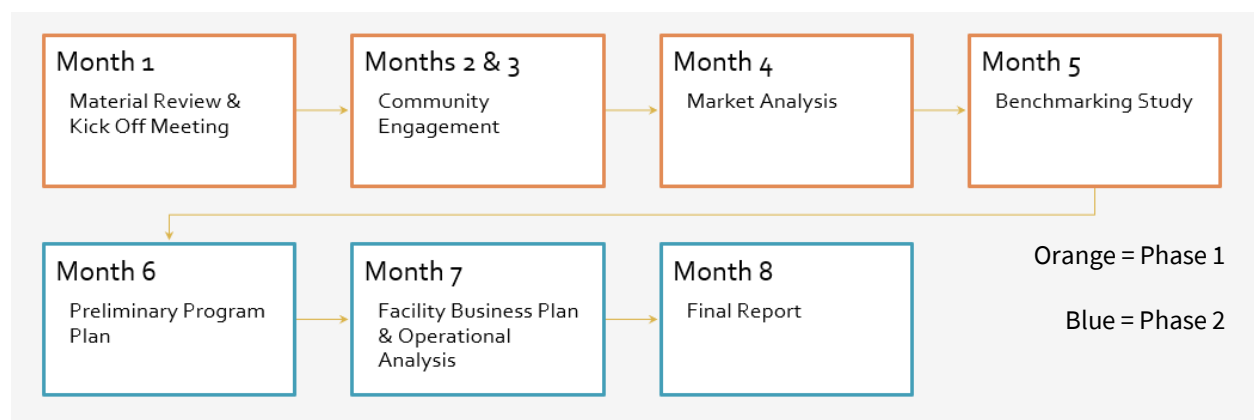
This study assesses the need, composition, and size of an arts facility for Wheaton, Maryland, a distinct community within Montgomery County. Wheaton, with its 50,000 residents, is ethnically rich and diverse with several cultures represented. Wheaton can boast of a robust commercial sector and is a central transportation hub servicing the Washington DC metro area, making it an attractive location for commuters. The Wheaton arts community is representative of its diverse residents and is artistically varied and active.

The State of Maryland has designated Wheaton's central core as an Arts and Entertainment District, joining Silver Spring and Bethesda. The Arts and Entertainment District designation provides income tax incentives to artists working in the designated area. Developers who create spaces for artists to live and work can be exempt from paying certain property taxes on the value of the renovations for a period of up to 10 years. Designated districts are also exempt from admissions and amusement taxes. Wheaton has achieved this status twice; and the fact that Wheaton owns this designation without a cultural facility in the designated area is important to note.

There have been other studies looking into the Wheaton Arts community, but none specifically centered on facilities. The residents, cultural sector, and civic leaders of the area have expressed a need to explore the creation of a facility that will be an arts hub for the community and the surrounding area.

In February 2018 Montgomery County hired Victor Gotesman Performing Arts Facilities Planning (PAFP) to undertake a planning study to analyze the need for a potential arts facility in Wheaton. The study team found that the facility needs of the Wheaton arts community have not recently been assessed and there has not been an analysis of the competitive environment, market, or established goals for an arts facility in Wheaton.

The study is divided into two phases, with this report representing the culmination of Phase 1. Below is a chart illustrating the two phases and their corresponding research components:



The report explores the vision for a new arts facility in Wheaton and seeks to discover the community and cultural sector needs which inform the structure, size, and scope of the arts facility concept. To that end,

PAFP posed questions that are addressed in this report, the answers to which will serve as a path forward in the development of cultural spaces.

Phase 1:

1. What are the cultural facility needs of the community, the artists, and arts organizations in the Wheaton area?
2. What is the competitive environment into which a new Wheaton facility will enter and which facilities, programs, and services in Greater Montgomery County inform facility concepts?
3. What is the market for a new arts facility and the level of potential participation in the programs held within the new facility?
4. What have similar communities done in terms of cultural facilities development and how can these examples inform the Wheaton project?
5. What is the mission and vision for a new arts facility in the context of local and regional community needs?

Questions in Phase 2 will include:

6. What are the component parts of a new cultural facility in Wheaton, such as size, and configuration?
7. What is the organizational operating plan for the new arts facility?
8. What are the financial operating estimates for the anticipated facility?
9. Who (what entity) will operate the new cultural facility in Wheaton?
10. What programs, services and opportunities exist for a cultural facility in Wheaton?

In order to answer these central questions in Phase 1, the study team embarked on a discovery phase that included:

- A review of material pertinent to the Arts and Entertainment district in Wheaton including previous studies, plans, and research documents which were provided to the study team by Montgomery County.
- A broader context of arts participation and economic impact data from national studies
- Community engagement
- Artist and arts organization engagement
- Area demographic analysis
- Local facilities inventory review
- The benchmarking of comparable facilities

This report details the discovery, analysis, and key findings in each of the initiatives above. Conclusions emanating from these initiatives are highlighted and inform recommendations.

Material Review provided the study team with a snapshot of the previous studies and plans centered on the arts in Wheaton, the Arts and Entertainment District, and the potential development of arts facilities in Wheaton. The amount of work completed provided a solid starting point for the study and a general understanding of the local conditions and data already collected.

National Data provided a deeper analysis of audience values and economic data which can be helpful in the development of a new arts facility. The data provided a vantage point from which to understand arts participation, key motivators and the likelihood of arts participation in Wheaton.

Community Engagement involved a mix of initiatives including one-on-one interviews, focus group discussions, town hall meetings, e-surveys, arts organization engagement and site visits. The results of the engagement process indicated a need for arts facilities, a need to professionally develop artists and arts organizations, and a need for studio space, performance space, creative space and a place where the community can gather and participate in the arts. The engagement process also uncovered the need for family programming, as well as programming for children, teens and young adults.

The following are key findings from the interviews, focus groups, surveys, and town hall meetings. Please note that they represent important community perceptions, expectations, and aspirations:

- The residents and artists of Wheaton have a real sense of pride in Wheaton.
- PAFP encountered a high level of expectation around a new arts facility, as well as a fair amount of skepticism about any new facility opening in Wheaton.
- The changing demographics of the community provide an opportunity for diversified programming, including programs for families and children.
- There is a lack of public gathering spaces currently available in Wheaton and no performance venue in the community.
- There is a need to help the artists and organizations of Wheaton to develop and grow professionally through capacity building efforts.
- In Wheaton there is a desire and a need to teach and participate in the creative process.

The Discovery and Community Engagement Phases yielded important information that supports the development of a new facility in Wheaton with associated opportunities and challenges consistent with arts facility operations, programming, and financials.

Engagement with Artist and Arts Organization was an important piece of the process and provided direct communication with artists working around Wheaton. PAFP heard about artists' space needs, the current facilities environment in and around Wheaton, and the challenges concerning arts space in Montgomery County. The study team also heard about various programs, facilities, and organizations in Montgomery

County which led to further discovery by the study team. It was very clear from virtually every artist and arts organization with whom PAFP met that the need for an arts facility in Wheaton is real.

Through the process of interviewing and visiting Wheaton artists, PAFP discovered a general need for professional development as it pertains to the capacity of the arts community to grow and enhance an arts facility. Programs designed to help organizations and artists build capacity that will enhance artistic output is recommended as part of the programming of a new arts facility.

Area Demographic Analysis verified what the study team had heard through the community engagement process. The Wheaton community is diverse in its ethnic makeup, is filled with families, young professionals, and seniors.

- Population growth for Wheaton alone from 2010-2023 is predicted to grow at a rate of 15.64%, slightly higher than the 12-13.4% for the surrounding area.
- A majority of those living within Wheaton (68%) and the surrounding 20-minute drive time radius of Wheaton (61%) are earning less than \$75,000 annually; 27% and 24% of those populations respectively are earning between \$25,000-\$49,999 annually.
- The populations in Wheaton and in the surrounding areas are generally well-educated. The highest levels of educational attainment are found in the 20-minute radius around Wheaton with 29% of the population holding graduate degrees.
- When compared to the surrounding areas, Wheaton alone has the largest segment of children age 17 and younger, as well as those 14 and younger, suggesting an opportunity to create programming geared toward this group.
- Wheaton and the surrounding area is highly diverse with a Hispanic or Latino population at 46%, greater than all other races and ethnicities in the area. There is also a strong presence of Asians and African Americans in Wheaton at 12% and 19% respectively.
- In Wheaton among people aged 5 years and older, Spanish is spoken at home by 43% of the population, compared to 39% for English, a significantly higher rate than the surrounding areas and the US in general.

Local Facilities Inventory Review is the part of the process that helps to define the context into which a new facility will enter. Planning for and positioning new performing arts facilities requires an understanding of the performing arts landscape of facilities. Information such as seating capacity, programming, market position, availability and location are key to identifying a complimentary facility within the inventory of spaces in the County. PAFP found:

- There are no dedicated spaces for arts and cultural activities or performances with consistent programming accessible to the public in Wheaton.

- Montgomery County has a significant number of arts venues offering a variety of programming and facilities to residents throughout the County.
- Many of the spaces are visual arts-focused.
- Few venues offer film or media programming.
- Nine spaces offer visual arts exhibits, three of which have studio space for artists.
- Approximately 83% of the spaces are available to rent to outside users, but are operating at capacity, making access difficult.
- Many spaces are considered non-traditional performance venues and operate as multi-use spaces.
- 82% of the spaces offer programming for children and a majority provide educational programs.

Benchmarking for Wheaton included a review of community-based performing arts facilities that provide a range of programming and services. Benchmarking offers a glimpse at how other communities have addressed the need for arts facilities and programs. The following four facilities and their programs are included in this review:

1. **Chapter Arts Center, Cardiff, Wales (UK)**
2. **Artserve, Ft. Lauderdale, Florida**
3. **Springboard for The Arts, St. Paul, Minnesota**
4. **The Arts Hub, Lafayette, Colorado**

What we learned from these benchmarked institutions:

- These spaces provide a nexus for many kinds of arts activities, all-ages arts education, professional development for artists, and community gatherings.
- The spaces each have dedicated programming for professional development opportunities, including creating an incubator environment for artists to grow and thrive.
- Most spaces were renovations of existing buildings, including a vacant auto dealership and an abandoned schoolhouse.
- The benchmarked facilities and their programs are part of an area arts infrastructure for their communities, providing an important stepping stone for artists and arts organizations.
- In all cases, the benchmarked institutions include both performing and visual arts.
- Administrative office and classroom spaces were often found in the institutions researched.

Based on the work completed in Phase 1 of the Wheaton Arts and Cultural Facilities Study, the study team has identified the following **conclusions**:

- There is a community need for an arts facility in Wheaton.
- Affordable access to a variety of arts spaces is key among the community needs.
- Classroom and teaching studios should be included in the arts facility.
- A flexible performance space accommodating up to 300 would benefit the community's performing artists.
- Creative studio space is needed.
- The identification of a facility operator and programmer has not been determined; however, there are structural models that would serve the Wheaton community.
- Arts facilities always require some form of financial support or subsidy from fundraising efforts and/or governmental allocations.

Recommended Structural Models are based on the results of the planning process to date and offer several potential paths forward. The options do not represent the full range of possible models for Wheaton. PAFP chose three that address the greatest need for arts space and how the operation can be structured for the most positive community impact.

- **Resident Organization Model** is one in which an anchor organization operates the arts facility, provides programming and has dedicated space for their own use. The model offers the resident organization a home and still provides access to the facility spaces to outside users. The operating costs of a resident organization model is covered in part by anchor tenant rent in addition to underwriting support from fundraising, corporate support, and governmental allocations.
- **Montgomery County Department of Recreation Model** presupposes that the Department of Recreation serve as the operator of the facility with both programming and operations handled internally. It is also possible to issue a Request for Proposals for a building operator who would then lease the arts facility from the County. The lessee would be responsible for programming, operations and financial results. The operating costs of a Department of Recreation model are covered in part by the lessee, if applicable, in addition to underwriting support from fundraising, corporate support, and governmental allocations. Governmental support in this model will depend on who exactly operates the building. In any scenario, it is anticipated that the largest underwriting portion will come from County allocations.
- **Arts Incubator Model** is one in which a non-profit organization operates the Wheaton arts facility as an arts incubator offering programs and services to the Wheaton area arts community. The incubator would focus on elevating the capacity of artists and arts organizations so that they can grow artistically. The incubator model is missing in Montgomery County, with Wheaton being an ideal location for this type of operation. The operating costs of an incubator must be covered by underwriting support from fundraising, corporate support and governmental allocations.

WHAT COMES NEXT

The second phase of the study is the development of a **preliminary program plan** that will outline how a new arts facility may be occupied, programmed, and operated. This will be followed by the development of a **business plan** with an associated **pro-forma operating budget** for the facility. In order to create an accurate business plan, there is a need to identify the preferred organizational model. This informs all aspects of the business planning process and is central to the study.

INTRODUCTION

Every community has unique and distinguishing characteristics that inform the arts facility study process. Discovering these characteristics in the context of the specific area is key to this phase of the feasibility process.

The study team, Victor Gotesman Performing Arts Facilities Planning (PAFP), began by **reviewing relevant data, reports, past studies, and press** to understand how the development of arts facilities has been factored into the community's planning and development goals.

The process then progressed into on-site **community engagement** with key stakeholders, artists, arts organizations and government officials. Being in Wheaton and meeting with those who have a stake in the development of arts facilities is key to understanding the need and type of facility most impactful for the community. PAFP learned a great deal from the engagement process detailed in the following report. The vibrancy of the arts in Wheaton is impressive and extremely diverse in output, capacity, and genres represented.

The feasibility of an arts facility in Wheaton is greatly informed by the **facility inventory** of the area. The context into which new arts facilities enter is important in order to avoid duplication, unnecessary competition, and to identify the specific facility needs of the area.

PAFP learned that the community of Wheaton is changing **demographically** and remains one of the most culturally diverse sections of Montgomery County. The many cultures represented in Wheaton offer a diverse mix of creative expression, adding to the community's vibrancy. The demographic analysis in the report may not be surprising to those who know Wheaton; however, when viewed through a programmatic lens, offers a glimpse of artistic programming that is most impactful for the Wheaton community.

There are cities that have developed arts facilities for communities similar to Wheaton. **Benchmarking** these facilities suggests what might be possible by analyzing their programming, financials, and structural models. The benchmarking in this report includes unique community solutions for arts facilities and represents a comparable picture of a facility and a program.

The report concludes with three potential directions forward, each offering different opportunities and challenges. As the planning process moves forward, selecting the most appropriate and beneficial facility model is key to the second phase of the study. Once the model has been selected, PAFP will outline how the building can be programmed and operated for the Wheaton community.

ARTS & CULTURE ECONOMIC DATA

The study team began the data gathering process with a review of material provided by Montgomery County. These materials included previous studies, plans, and research previously conducted pertaining to the Arts and Entertainment District in Wheaton. Materials included:

- “A Strategic Plan for the Wheaton Arts and Entertainment District 2016-2021;”
- “Arts & Entertainment Districts Annual Report to State FY17;”
- Memo Regarding Arts Incubator Scope and the Wheaton Arts Incubator Overview;
- The Underground Market, June 2016;
- Wheaton Artist and Arts and Enterprise Attractions Listing;
- “Wheaton Arts & Entertainment District Reapplication;”
- “Wheaton Arts & Entertainment District Vicinity Map;”
- “Wheaton Central Business District and Vicinity Sector Plan;”
- “Wheaton Library & Community Recreation Center Community Meeting Presentation;”
- Wheaton Research Compiled Narrative (February 2015); and
- Master Plans, relevant communications and press releases, area arts newsletters, event calendars.

An analysis of the broader economic trends in the cultural sector is vital in considering the development of a new arts facility in Wheaton. Data on audience participation, a deeper analysis of audience values, and economic data can be utilized to leverage greater investment in a new facility. In this section PAFP analyzed general characteristics and patterns of arts participation, as well as economic impact of arts activities in Montgomery County from the following reports:

1. National Endowment for the Arts (NEA) “Survey of Public Participation in the Arts” (SPPA), published January 2015;
2. NEA’s “When the Going Gets Tough,” published January 2015; and
3. Americans for the Arts report “Arts & Economic Prosperity 5: The Economic Impact of Nonprofit Arts and Cultural Organizations and Their Audiences in Montgomery County, MD (Fiscal Year 2015),” published 2017.

From the “Survey of Public Participation in the Arts” (SPPA):

- Residents of Wheaton are included in findings from the South Atlantic region, which includes: Maryland, Washington, DC, Delaware, Virginia, West Virginia, North Carolina, South Carolina, Georgia, and Florida. Arts attendance in this area declined from 2002-2012; however, responses

from the online survey issued to Wheaton residents by PAFP indicate a potentially wide audience base.

- Attendance at benchmark arts activities¹ by US adults has been on the decline since 1992, though only minimally from 2008-2012. Adults who attend professional performing arts events each year range by discipline - from 8.3% for ballet and other dance, to 16.9% for a classical music or jazz performance, and 23.5% attending musical or non-musical plays. Audiences tend to prefer jazz or classical music over opera, and musical plays over non-musical plays.

Figure 1-8. Percentage of U.S. adults attending a performing arts activity at least once in the past 12 months: 2002, 2008, and 2012

Performing arts event ¹	Percent of U.S. adults attending		
	2002	2008	2012
Music			
Jazz	10.8%	7.8%	8.1%
Classical music	11.6%	9.3%	8.8%
Opera	3.2%	2.1%	2.1%
Latin music	Not asked	4.9%	5.1%
Outdoor performing arts festival	Not asked	20.8%	20.8%
Plays			
Musical plays	17.1%	16.7%	15.2%
Non-musical plays	12.3%	9.4%	8.3%
Dance			
Ballet	3.9%	2.9%	2.7%
Other dance	6.3%	5.2%	5.6%
Other types of live performance			
Free music, theater, or dance of any kind	Not asked	Not asked	15.9%
Other music, theater, or dance attendance not referenced in the main survey	Not asked	Not asked	11.6%
Attendance at live book readings, poetry, or storytelling events, excluding elementary and high school performances	Not asked	Not asked	4.1%

Figure 1-9. Average and total number of attendances for performing arts activities: 2002, 2008, and 2012

	Average number of attendances per attendee			Total number of attendances in millions		
	2002	2008	2012	2002	2008	2012
Music						
Jazz	3.1	2.9	2.8	68.8	50.7	53.7
Classical music	3.1	2.9	2.6	72.8	60.4	53.1
Opera	2.0	1.8	2.0	13.3	8.8	10.0
Latin, Spanish, or salsa music	NA	3.5	2.4	NA	38.7	28.8
Plays						
Musical plays	2.3	2.2	2.0	79.3	82.6	72.5
Non-musical plays	2.3	2.3	2.2	58.7	49.7	42.1
Dance						
Ballet	1.7	1.6	1.5	13.5	10.6	9.6
Other	2.0	2.2	2.1	24.6	25.5	27.3

Gray shaded box indicates that the estimate is significantly different from the 2012 estimate at the .05 level

- Audiences in the South Atlantic area prefer Art Museums or Galleries (17.6%) and Musical Plays (12.7%) over all other benchmarked forms of art.
- Despite decreasing attendance at arts events, nearly half (46%) of adults received arts education as a child, while one-third reported taking classes as an adult. More adults have taken music and art appreciation/history classes than other types of lessons or classes.
- Audiences are generally well-educated (Figure 1-3). People with a graduate degree are three times more likely than high school graduates to attend a benchmark activity.

¹ Benchmark activities include jazz events, classical music performances, opera, musical plays, non-musical plays, ballet, and art museums or galleries.

Figure 1-3. Distribution and percentage of U.S. adults attending at least one benchmark activity in the past 12 months, by highest level of educational attainment: 2002, 2008, and 2012

	2002		2008		2012	
	Distribution of attendees	Rate of attendance	Distribution of attendees	Rate of attendance	Distribution of attendees	Rate of attendance
Grade school	1.1%	7.3%	0.9%	6.5%	0.8%	6.5%
Some high school	3.4%	13.6%	4.1%	14.5%	2.2%	9.1%
High school graduate	19.5%	24.8%	16.7%	19.0%	18.0%	19.9%
Some college	31.4%	44.8%	30.1%	38.1%	29.6%	33.8%
College graduate	28.5%	64.1%	30.4%	57.2%	29.7%	54.0%
Graduate school	16.2%	75.8%	17.8%	67.3%	19.7%	65.6%
Total	100.0%		100.0%		100.0%	

Gray shaded box indicates that the estimate is significantly different from the 2012 estimate at the .05 level

- People who attend arts activities are generally older (Figure 1-4). At 38%, the highest participation rate in 2012 was among people ages 55–64. From there the rates decline, modestly at first and then dropping substantially for the very oldest Americans; however, this latter group is the only group to significantly increase attendance in 2012 from 2002.

Figure 1-4. Distribution and percentage of U.S. adults attending at least one benchmark activity in the past 12 months, by age group: 2002, 2008, and 2012

Age	2002		2008		2012	
	Distribution of attendees	Rate of attendance	Distribution of attendees	Rate of attendance	Distribution of attendees	Rate of attendance
18–24	11.8%	35.9%	12.1%	32.7%	11.7%	30.2%
25–34	18.0%	39.6%	18.5%	36.0%	17.1%	32.6%
35–44	23.0%	42.2%	20.0%	37.2%	16.3%	32.4%
45–54	22.1%	46.0%	20.4%	36.1%	19.2%	34.4%
55–64	13.0%	40.6%	15.8%	36.9%	18.6%	38.0%
65–74	7.7%	35.3%	8.5%	33.4%	11.1%	36.6%
75+	4.4%	23.2%	4.7%	21.3%	6.0%	25.9%

Gray shaded box indicates that the estimate is significantly different from the 2012 estimate at the .05 level

- Most audiences are not racially diverse (Figure 1-6). The SPPA reports that “Non-Hispanic white adults are the racial/ethnic group most likely to attend a benchmark activity, a consistent finding over the past decade. This group saw statistically significant declines in attendance in 2008 and 2012.” By contrast, African Americans showed an increase in attendance between 2008 and 2012, and Hispanics and groups of other races/ethnicities had consistent levels of attendance between 2008 and 2012, though attendance for both these groups in these years were still below 2002 levels.

Figure 1-6. Distribution and percentage of U.S. adults attending at least one benchmark activity in the past 12 months, by race and/or ethnicity: 2002, 2008, and 2012

Race and ethnicity	2002		2008		2012	
	Distribution of attendees	Rate of attendance	Distribution of attendees	Rate of attendance	Distribution of attendees	Rate of attendance
Hispanic	6.5%	23.1%	8.2%	21.0%	9.4%	21.1%
White	80.5%	43.6%	78.9%	39.7%	75.4%	37.9%
African American	8.1%	27.8%	7.0%	21.5%	8.5%	25.0%
Other	4.9%	41.8%	5.9%	31.9%	6.6%	29.8%
Total	100.0%		100.0%		100.0%	

Gray shaded box indicates that the estimate is significantly different from the 2012 estimate at the .05 level

* White, African American, and Other are defined as "Non-Hispanic" in the chart above.

- Audiences are consuming art via various platforms, both live and digital. About 7% of respondents consumed theater via digital media; 15% reported seeing a live musical play and 8% a non-musical play.

From "When the Going Gets Tough":

- In an effort to understand arts participation better, the National Endowment for the Arts released a second study in January 2015, "When the Going Gets Tough." The study found that personal values and attitudes offer new insights into who attends the arts: "personal values can help explain more about the rates of arts attendance than can sociodemographic variables alone." For example, "arts attendees who emphasized wanting to experience high-quality art also tended to value adventure, excitement, and risk-taking. They were more likely to attend with friends or others unrelated to them." After socializing, which came in at 72.9%, the next most common motivations for arts attendance were wanting to (a) see an exhibit or performance in a specific location or venue (65.8%), (b) learn new things (64.1%), and (c) experience high-quality art (63.2%).
- The study also explained that for those who did not attend, once any perceptual barriers for attending arts and culture programming, such as the risk involved with being an outsider, were overcome, some practical barriers still existed. These included, "lack of time (47%), the perception that attendance costs too much (38%), and that the venue would prove too difficult to get to (37%)."

From "Arts & Economic Prosperity 5: The Economic Impact of Nonprofit Arts and Cultural Organizations and Their Audiences in Montgomery County, MD (Fiscal Year 2015)":

The Americans for the Arts report "Arts & Economic Prosperity 5" documents "the economic impact of the nonprofit arts and culture industry in 341 communities and regions (113 cities, 115 counties, 81 multi-city or multicounty regions, 10 states, and 12 individual arts districts)—representing all 50 U.S. states and the District of Columbia." Americans for the Arts partnered with local organizations, including the Arts &

Humanities Council of Montgomery County, to create a customized analysis of Montgomery County. Below are the key findings:

Economic Impact of Spending by Arts and Cultural Organizations and Their Audiences

Total Economic Impact of Expenditures	Economic Impact of Organizations	+	Economic Impact of Audiences	=	Total Economic Impact
Full-Time Equivalent (FTE) Jobs Supported	2,832		975		3,807
Household Income Paid to Residents	\$65,879,000		\$18,369,000		\$84,248,000
Revenue Generated to <u>Local</u> Government	\$4,006,000		\$3,046,000		\$7,052,000
Revenue Generated to <u>State</u> Government	\$4,813,000		\$3,124,000		\$7,937,000

- The economic impact of spending by arts and cultural organizations and their audiences equaled just over \$7 million in revenue generated to Montgomery County (chart above).

Event-Related Spending by Arts and Cultural Audiences Totaled \$78.1 million (excluding the cost of admission)

Attendance to Arts and Culture Events	Resident ¹ Attendees	+	Nonresident ¹ Attendees	=	All Cultural Audiences
Total Attendance to Arts and Culture Events	2,216,258		1,252,064		3,468,322
Percentage of Total Attendance	63.9%		36.1%		100.0%
Average Event-Related Spending Per Person	\$18.98		\$28.79		\$22.53
Total Event-Related Expenditures	\$42,064,577		\$36,046,923		\$78,111,500

- Event-related spending by arts and cultural audiences totaled \$78.1 million (excluding the cost of admission) (chart above).

Nonprofit Arts and Cultural Event Attendees Spend an Average of \$22.53 Per Person (excluding the cost of admission)

Category of Event-Related Expenditure	Resident ¹ Attendees	Nonresident ¹ Attendees	All Cultural Audiences
Meals and Refreshments	\$13.18	\$18.06	\$14.94
Souvenirs and Gifts	\$2.47	\$1.86	\$2.25
Ground Transportation	\$1.92	\$3.62	\$2.53
Overnight Lodging (one night only)	\$0.15	\$2.78	\$1.10
Other/Miscellaneous	\$1.26	\$2.47	\$1.70
Average Event-Related Spending Per Person	\$18.98	\$28.79	\$22.53

- Nonprofit arts and cultural event attendees spend an average of \$22.53 per person (excluding the cost of admission) (chart above).

DISCOVERY - COMMUNITY ENGAGEMENT

An important aspect of the methodology used in developing this report included a community engagement process that gave us a view of the facilities landscape in Wheaton and Montgomery County. This process also uncovered the area's overall arts space needs, as well as programming ideas and opportunities. The methodology included:

- The formation of a Wheaton Arts Facilities Study Working Group, which consisted of community members and representatives of area cultural organizations.
- The study team visited more than a dozen arts venues around Montgomery County to establish context and gather important information about their operations and programs (please see Facilities Inventory on page 29 of this report.).
- Interviews were conducted with 44 artists, arts leaders, business owners, government officials, students, and community members in Wheaton, including members of the Working Group. Interviews were held with individuals representing organizations that may have an interest in becoming a user of a new space or who represent a larger constituency that, collectively, needs performance and/or rehearsal space. A full list of interviews conducted can be found in Appendix A.
- PAFP conducted two focus groups, one for high school students and one for artists.
- PAFP facilitated two Town Hall meetings attended by 41 members of the community.
- PAFP circulated two e-surveys, one for artists and arts organizations as a means to understand their specific space needs, and another for members of the community to understand community sentiment about the development of new arts and cultural facilities in the area.
- In addition to the above, the study team presented an overview of the study process and took questions at the April 10th meeting of Wheaton Urban District Advisory Committee.

Our inquiries were designed to penetrate all corners of Wheaton and its creative community. PAFP provided several mechanisms for input; and the quantity of information received was impressive and valuable. The comments, perceptions, and opinions generated through this process provided a frontline view of the community's cultural facility needs and aspirations, and ultimately informed conclusions and recommendations

Themes that emerged from the community engagement process are those that have been repeated by various community members. The themes represent the attitudes and beliefs of a majority of those from whom PAFP gathered information.

This study follows the State of Maryland's second designation of downtown Wheaton as an Arts and Entertainment District. The designation brings incentives in support of arts activities. Wheaton residents and artists expect that Montgomery County will recognize the importance of the designation and support

the development of arts facilities within the community. The addition of a new County building in the center core of Wheaton that will house The Maryland-National Capital Park and Planning Commission adds a touch-point often mentioned throughout our engagement process. The land adjacent to the site of the new County building has been mentioned as a potential future site for an arts facility.

WORKING GROUP

In April of 2018 the Wheaton Arts Facilities Study Working Group was formed and kicked-off the study. The Working Group is comprised of Wheaton residents, artists, arts organizations, civic leaders, and arts advocates. The Working Group was created to facilitate the overall analysis and planning process and to:

- Advise on the arts facility planning study and business plan process;
- Help identify community programming and utilization goals for the facility; and
- Provide general information on the region and preliminary facility needs.

The members of the Wheaton Facilities Planning Study Working Group are:

Sidney Cooper, Marketing Manager, Wheaton Urban District
Suzan Jenkins, CEO, Arts & Humanities Council of Montgomery County
Omar Lazo, Owner, Los Chorros Restaurant & WUDAC Representative
Jim Epstein, Wheaton Arts Parade & Festival
Ali Oliver-Krueger, Director, InterAct Story Theater & WUDAC Representative
Jeannette Feldner, Wheaton/Kensington Chamber of Commerce Board & Wheaton Resident
Luisa Montero-Diaz, Director, Mid-County Regional Services Center
Ronnie Warner, Montgomery County Department of General Services
Amy Donin, Montgomery County Department of General Services

At the April Kick-off meeting, the consulting team provided an overview of the planning process, timeline, and methodology to be employed. The Group also discussed the current cultural environment that exists in Wheaton, the unique characteristics of the community, its diversity, restaurants, transportation hub, the Arts and Entertainment District, and the new County building.

Throughout the first stages of the study, the Working Group served as a resource to the consulting team, providing critical, real time information important to the discovery phase.

FOCUS GROUP DISCUSSIONS

The study team conducted two focus group discussions: one with students at Albert Einstein High School² and the other with Wheaton artists.

Students at Einstein are active arts participants in school as well as in the community. Most of their facilities needs have been met by good facilities at the high school. The consensus from the group was that Wheaton

² Albert Einstein High School has unique and robust training programs for visual arts, dance, and theater.

needed a safe place for young people to gather and have outlets for their creative expression. There is also an expressed need for the students to produce work outside of high school, as the facilities at the school naturally prioritize high school programming over student-led initiatives. The students expressed a desire for space to create their own work, both visual and performing arts, in places beyond the school with its set of limitations that include issues with scheduling, a limited and often crowded backstage area, and a gallery space that is vulnerable to other students.

The second focus group consisted of Wheaton artists including visual and literary creatives who described Wheaton as vibrant arts community, but one that is in need of studio, gallery and maker spaces for the artists working in the area. The affordability of access to arts spaces in the immediate area is a key issue for many artists, many of whom cannot afford space at market rates. Space in other communities is often not available due to the scheduling demands of the arts organizations in the area.

STAKEHOLDER INTERVIEWS

The study relies on a stakeholder engagement process including interviews with individuals identified through the Working Group and Montgomery County.

Stakeholders are defined as individuals or organizations that represent key constituent groups with an interest in the development of arts facilities in Wheaton. The stakeholder engagement process is meant to probe and “mine” the community for artists and organizations that may potentially be facility users, resident organizations, patrons, and/or operators of new arts facilities.

The process is informative on many levels and uncovers facility needs that can be translated into a building and operational concept. What should emerge is a picture of the physical characteristics of an arts facility and its programming content. The building should address the needs of the community and be a resource for all. The process also helps the study team judge the capacity or ability of artists and organizations to occupy new arts space and at what level of usage annually.

The following comments were repeated multiple times and represent important themes:

The ethnic diversity of the (Wheaton) community is strong.

Wheaton’s food culture is a significant draw and attracts people from around the area.

Affordable gallery space is needed.

Silver Spring is a model of what arts and culture facilities add to a community.

The Arts and Entertainment District needs arts infrastructure including a building to support area artists and organizations.

The Westfield Mall provided exhibit space to area artists in the past, but that recently ended and there is no comparable space in Wheaton.

It’s Wheaton’s turn for developing new cultural facilities.

Residents want to feel a sense of pride in Wheaton, and they believe that a new arts and cultural facility will enable that.

Residents have high expectations that a new facility will be approved and built and expressed a sense of frustration that it hasn't happened thus far.

Those with families expressed a need for improved programming for families and children.

Many people are concerned about the lack of public gathering spaces and the challenges for pedestrians in Wheaton, and they hope that new arts and cultural spaces will add more opportunities to congregate.

People shared that they think Wheaton is often overlooked when it comes to development and County investment.

Access to affordable performance and exhibit space is in great demand.

The community is changing with an increase in families moving to Wheaton for affordable housing and access to the transportation hub.

There is an increase in residential development in Wheaton. What cultural amenities will be offered to the residents?

Many acknowledged the other arts venues in the County, but felt that Wheaton still needed its own cultural facilities.

The new County recreation center and library will provide much needed meeting and function space to Wheaton.

The location of an arts facility in Wheaton is of great interest to most and all believed that it should be located within the boundaries of the Arts and Entertainment District.

Most interviewed did not feel that a "Strathmore-type" performing arts center would be appropriate for Wheaton.

The mall has been a good community partner and currently provides space to the Wheaton Arts Parade, but it is unclear as to how long this arrangement will remain in place.

TOWN HALL MEETINGS

The consulting team held two Town Hall meetings in Wheaton, on Monday, April 30, 2018 and Tuesday, May 1, 2018. Each meeting was well publicized, and the turnout was good with 41 people attending between the two nights, with some people attending both nights.

PAFP posed a series of questions to the group, the answers to which are condensed below.

Question: What sets Wheaton apart from other communities in Montgomery County?

Wheaton is a cosmopolitan kind of place with large Asian, Latino, African and European cultures represented through its residents.

Wheaton is the only place where there is an urban district in a suburban type area.

Wheaton is a unique confluence of three main highways and the Metro.

Wheaton is the last affordable community on the Metro line.

There are lots of artists and organizations around Wheaton, but none are in the downtown central core.

Wheaton is the site of the first television broadcast in 1929.

There are a lot of young families in Wheaton and not a lot of programming for them.

Question: Does Wheaton need an arts facility? If so, what types of spaces would be most beneficial for Wheaton artists and artisans?

Link programming for young people with Albert Einstein High School

Studio space, dance studio space, music studios and performance space

Visual arts gallery with visiting exhibits

Flexibility is key, the various cultures needing space would tell us the kind of spaces they need. If the space is flexible, it would be the most useful for Wheaton.

We need space to teach art and work with kids.

Flexible space that is cheap to access

Question - What community benefits come with cultural facility development?

Pride of ownership

Cultural connectivity - bringing various cultures together through the arts

Create community

Economic development - people attending performances or classes will eat at local restaurants

Better quality of life

Question - Where do you currently see arts events in the area? What is the last Wheaton arts event you attended?

Wheaton Arts Parade, Wheaton Film Festival, music at the Limerick Pub, InterAct Story Theater, Taste of Wheaton, Wheaton Summer Concert Series, Strathmore, Urban Artistry, Brookside Gardens, Silver Spring, Takoma Park, Kensington Day of the Book

Question - Tell us about the community's need for youth and family programming (5/1/18 Only)

The arts can connect home-schooled kids with the students in private and public schools

Programming must make our youth feel comfortable and safe

Traditionally, urban arts are for communities of need, those communities that do not usually have access to professional arts and artists

Question - Is food an important cultural component?

Food is very important to Wheaton.

Food is one of the last things people will leave their homes for.

We don't want to create competition for local restaurants.

COMMUNITY SURVEY

As explained in the introduction to the Community Engagement section above, PAFP and Montgomery County circulated two e-surveys; one for artists and arts organizations as a means to understand their specific space needs (the findings for which are located in the following section) and another for members of the community to understand community sentiment about the development of new arts and cultural facilities in the area. The community survey was distributed in Spanish and English to stakeholders interviewed and town hall participants, and the links to the surveys were included on Montgomery County websites and in e-newsletters. This section outlines the key findings from the community survey.

The community survey produced 370 total responses,³ in Spanish and 367 in English. Of the respondents, 67% live in Wheaton, 9% work in Wheaton, and 53% visit, shop or dine in Wheaton. The following are key findings from the survey responses:

- **The people of Wheaton support the arts.** An overwhelming majority of the respondents (85%) think that new or improved arts and cultural facilities are needed in Wheaton. This support came from many people who do not define themselves as artists; 47% of respondents claimed that they support the arts but do not create art, and 29% expressed that they are “creative hobbyists.”
- **There is an opportunity to build a robust audience base in Wheaton that would support a new facility.** 89% of respondents attend arts events outside of Wheaton, which means they are primed to attend arts events and could be tapped for developing an audience in Wheaton.
- **There is some opportunity for arts education.** 32% of the respondents reported that they, or their children, take art classes in the area.
- **Respondents agree that the arts improve the livability and attractiveness of Wheaton.** 78% of respondents “Strongly Agree” that a “vibrant arts community would make Wheaton a better place to live;” 56% “Strongly Agree” that the location of a new venue is important to them. Walkability and streetscapes, and neighborhood revitalization were items that respondents felt would improve with increased arts and cultural activity.

SPACE UTILIZATION - ARTIST SURVEY

To learn more about usage needs of potential external users, PAFP distributed a second e-survey in Spanish and English for artists and arts organizations to all the external stakeholders interviewed, and to the mailing lists of the Arts & Humanities Council of Montgomery County and other facilities that rent to outside users. The links to the surveys were also included on Montgomery County websites and in e-newsletters.

PAFP received 27 responses in both English and Spanish (2 in English and 25 in Spanish), 13 of which were from 501c3 nonprofits, 10 from individual artists, and 4 from community groups that are either fiscally sponsored or seeking nonprofit status. The majority of respondents have budgets under \$50,000 annually. Eight respondents confirmed that they currently rent performance space, a few receive space rent-free, and none of the respondents own their spaces. Below are our key findings (*see Appendix B for all responses*):

- Artists and arts organizations pay as low as \$500 and as high as \$34,000 per year to rent spaces, and several respondents reported that they spend approximately \$9,000 per year.
- 28% of artists are using about 4 different spaces for their arts and cultural activities, including coffee shops, bars, churches, homes, schools, and other community buildings or performing arts spaces outside of Wheaton.
- Only 50% of respondents are satisfied with the conditions of the spaces, 54% are satisfied with the rental rates, and 60% are satisfied with the accessibility. However 54% are not satisfied with the availability. An overwhelming majority (84%) reported that they think new spaces are needed in Wheaton.
- Most respondents are interested in artist studio spaces (56%), and 36% responded they are interested in spaces for dance and for theater. 68% are interested in classroom or meeting space, and 52% are interested in rehearsal/studio space. Administrative office space is also reported as important, with 44% of the respondents showing an interest.
- A performance space with seating for 150 to 300 would ideally suit Wheaton's performance space needs.
- When asked how or why new or improved facilities are important to future growth and development, many respondents expressed that it would help reduce expenses, as well as aid in the development of new programs, and in the expansion of existing programs.

KEY FINDINGS

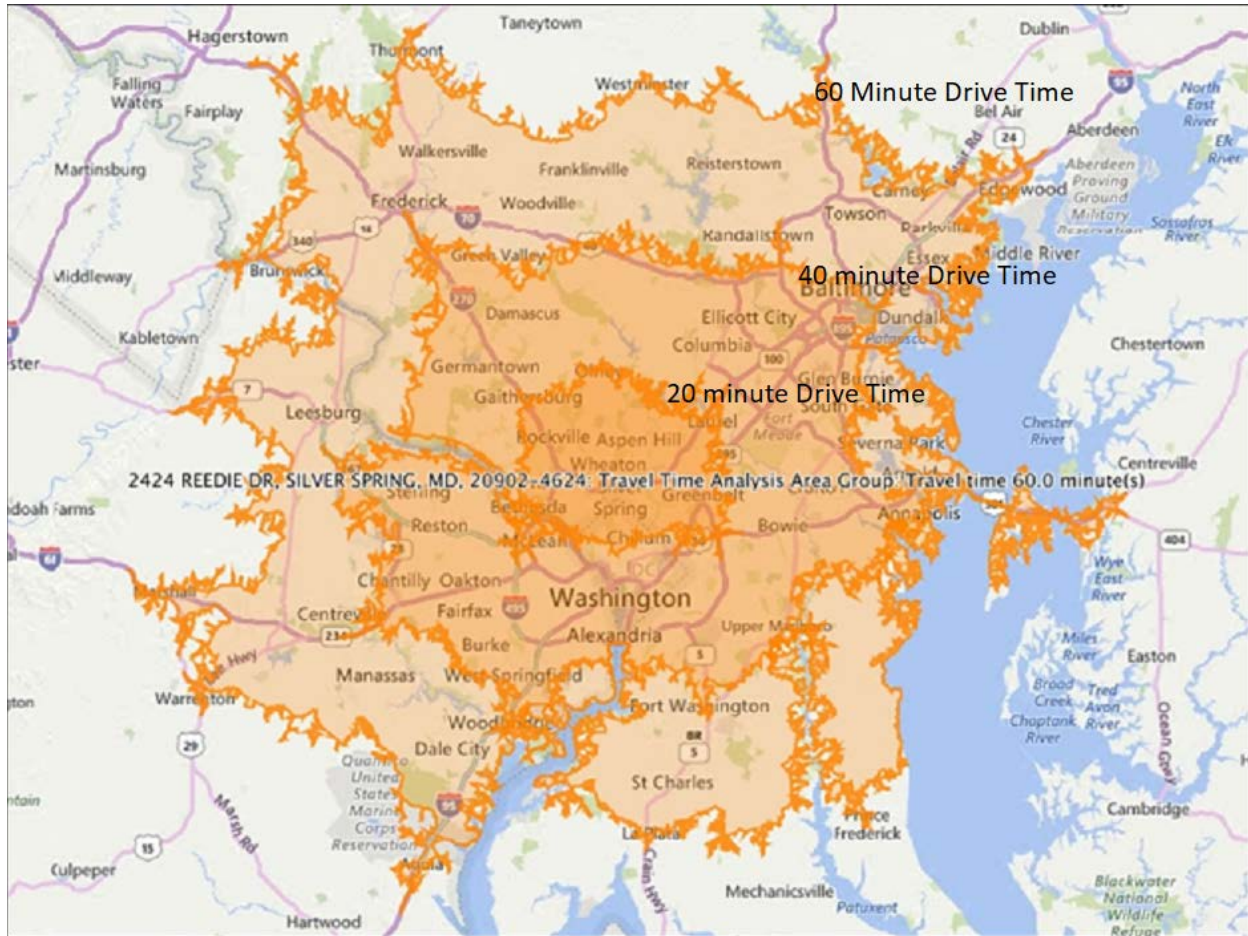
The following are key findings from the interviews, focus groups, surveys, and town hall meetings. Please note that they represent important community perceptions, expectations, and aspirations:

- Residents and artists of Wheaton have a real sense of pride in Wheaton, and there is consensus that a new arts facility is needed to elevate the stature of Wheaton and provide a much-needed cultural amenity to the community.
- PAFP encountered a high level of expectation concerning a new arts facility as well as a fair amount of skepticism about any new facility opening in Wheaton.
- The changing demographics of the community provide an opportunity for diversified programming, including programs for families and children.
- There is a lack of public gathering spaces currently available in Wheaton and no performance venue in the community.
- Residents and artists expressed the feeling that Wheaton is often overlooked when it comes to development and County investment.
- PAFP identified some arts organizations operating in and around Wheaton with the potential for “resident organizations” to occupy space.
- PAFP did not identify a sustaining number of arts groups that could fill an annual production calendar. At the present time, the Wheaton arts community may not have the capacity to fill an arts facility. However, the study team heard repeatedly that people want space to teach, go to class, and create new work, and such spaces do not exist in Wheaton. The Discovery phase uncovers general local conditions we use to gauge the level of arts activity around Wheaton. This process informs a facility’s structural, financial and operational models. There are many artists and organizations operating in and around Wheaton that would benefit by having new arts facilities. The more active an arts building is programmatically, the greater the potential for earned revenue which is necessary to cover a percentage of the operating cost of the building.
- There is a need to help artists and organizations of Wheaton to develop and grow professionally through capacity building efforts.
- In Wheaton there is a desire and a need to teach and participate in the creative process as there are few other opportunities for residents.

MARKET ANALYSIS

The following sections include findings from market demographic data and a review of relevant facilities to better understand the context in which a new arts facility in Wheaton will operate.

DEMOGRAPHIC ANALYSIS

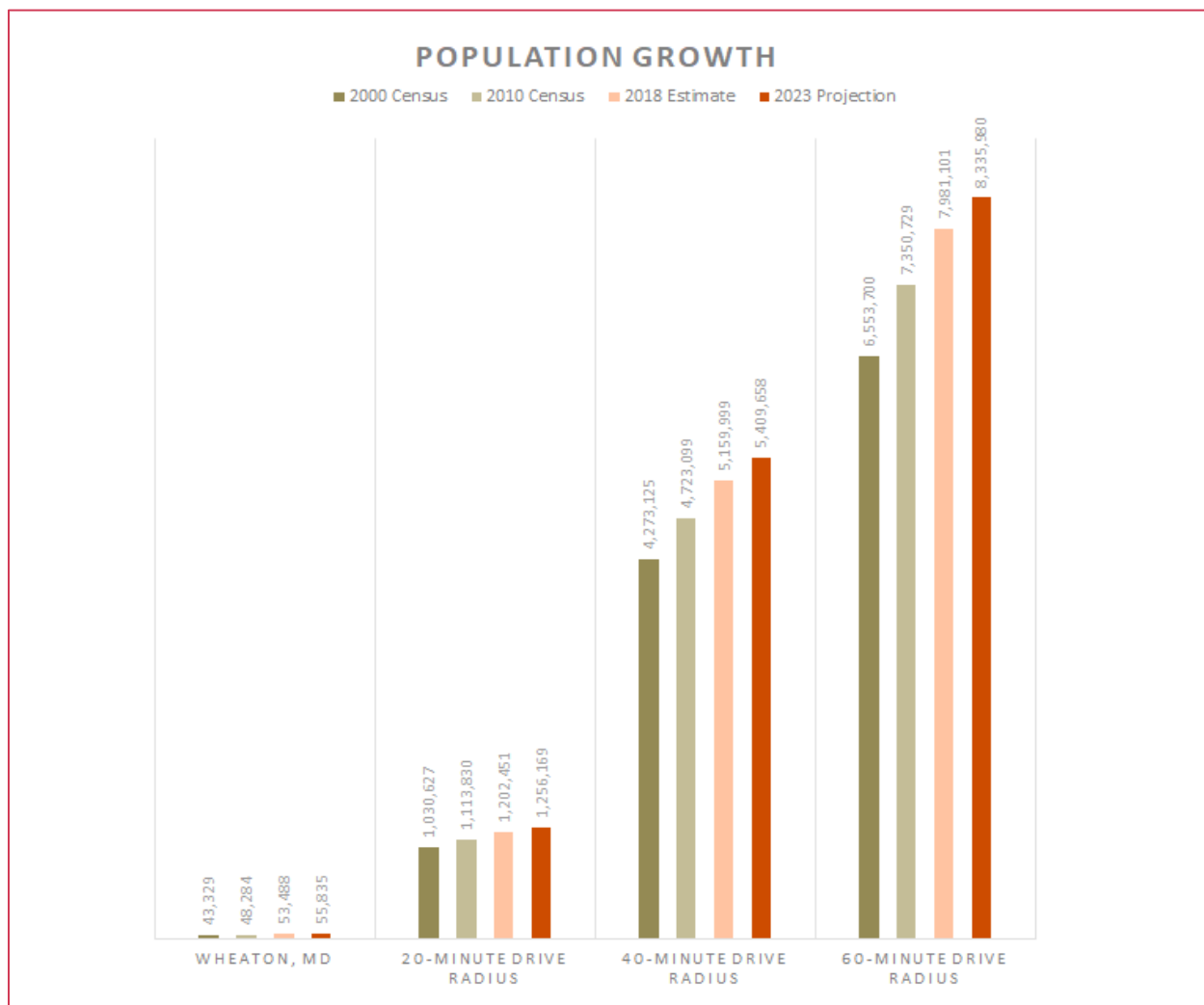


As a way of understanding the composition of the population surrounding Wheaton, and how that population may evolve over the next five years, PAFP obtained data from the market demographic segmentation company, Claritas, for the 20-40-60-minute drive time radii from the center of the Arts & Entertainment District (see map above). Information provided by the Working Group assisted PAFP in defining the market area. The following analysis highlights the most salient points from the data and contextualizes them within the development of a new arts facility. (see Appendix C)

POPULATION GROWTH

Over the last two decades Wheaton and the surrounding area showed an average population growth of 11% in the year 2000 and 9% in the year 2010. Between 2010 and 2023 the population for Wheaton alone is predicted to grow by 15.64%, a slightly higher rate compared to 12-13.4% for the surrounding area, although the distinction is minimal given the vast difference in population size and area measurement.

Nonetheless, Wheaton is seeing positive population growth, as well as the surrounding radii, providing an increase in audience potential. In the immediate neighborhoods around Wheaton, population growth infers market potential for program participation and may influence programming and program partnerships.



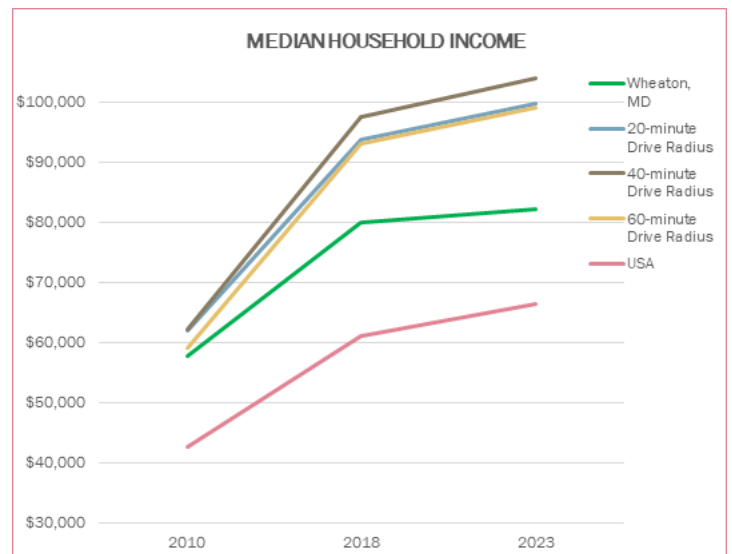
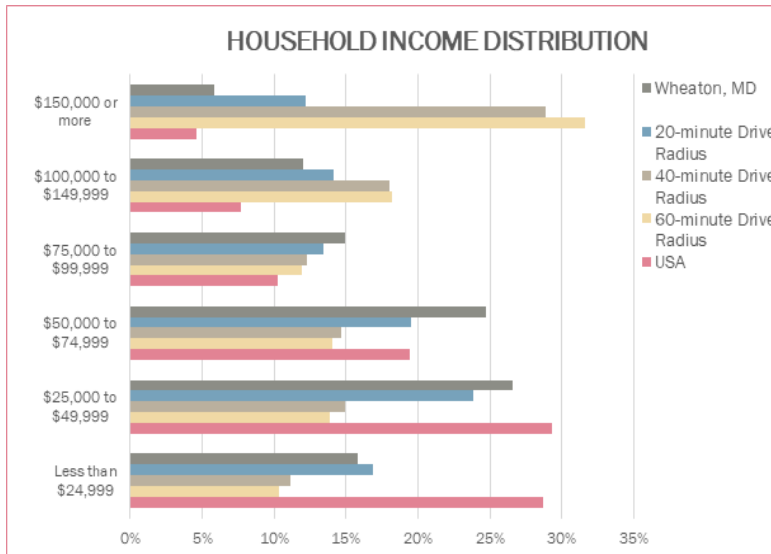
HOUSEHOLD INCOME

Household income in the 40 to 60-minute drive time radii shows a greater range of income distribution, including a higher rate of households earning \$100,000-\$150,000 annually; whereas a majority of those living within Wheaton (68%) and the surrounding 20-minute drive time radius of Wheaton (61%) are earning less than \$75,000. Over a quarter (27%) of the Wheaton population and 24% of the 20-minute drive time population are earning between \$25,000 and \$49,999 annually.

Household income is linked to arts participation levels and, more generally, available discretionary money. With knowledge of the disparity in income, subsidy programs can be established to bridge the gap between what audiences can afford to pay and the cost of arts activities.

The median household income for the 20, 40 and 60-minute drive time area is currently in the mid-\$90,000s; but for Wheaton alone, the median household income is approximately 16% lower at \$79,880.

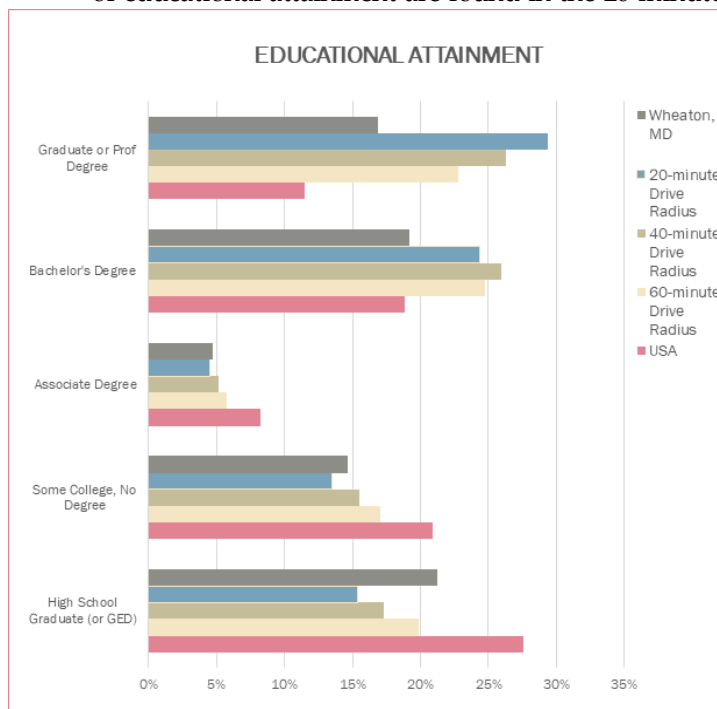
Wheaton's median household income is still 24% higher than the median household income of the general US population, which is at \$61,045, but it is not expected to grow as fast as the US median household income by 2023.



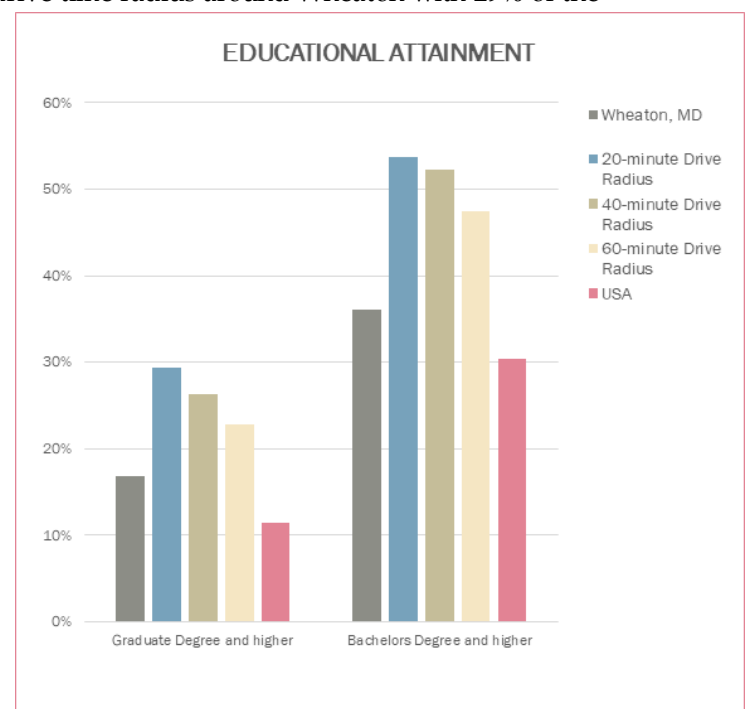
* percent of population

EDUCATIONAL ATTAINMENT

The populations in Wheaton and in the surrounding areas are generally well-educated. The highest levels of educational attainment are found in the 20-minute drive time radius around Wheaton with 29% of the



* percent of population

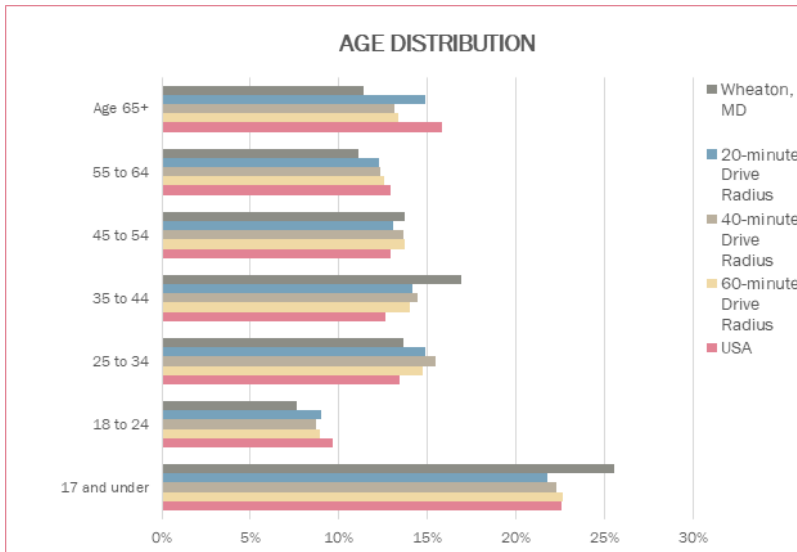


* percent of population

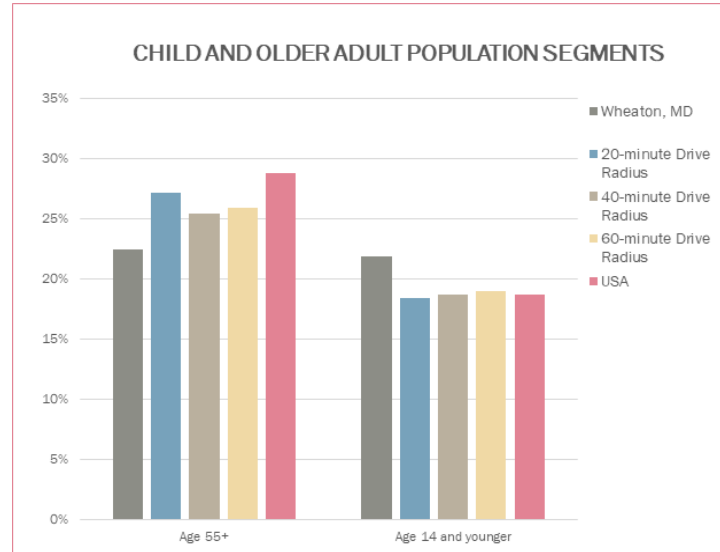
population holding graduate degrees. In Wheaton alone, the level of education is not quite as high. Twenty-one percent of the population graduated from high school or earned the GED equivalent and 17% hold a graduate degree. Like the national average, about 19% of the population in Wheaton has earned at least a bachelor's degree.

AGE DISTRIBUTION

Wheaton alone has the largest segment of children age 17 and younger, as well as those 14 and younger, suggesting an opportunity to create programming geared toward this group. There is little variance between the different areas for other age groups, with a small distinction of people age 35-44 living in Wheaton alone at 17% versus 14% in the other three drive time areas.



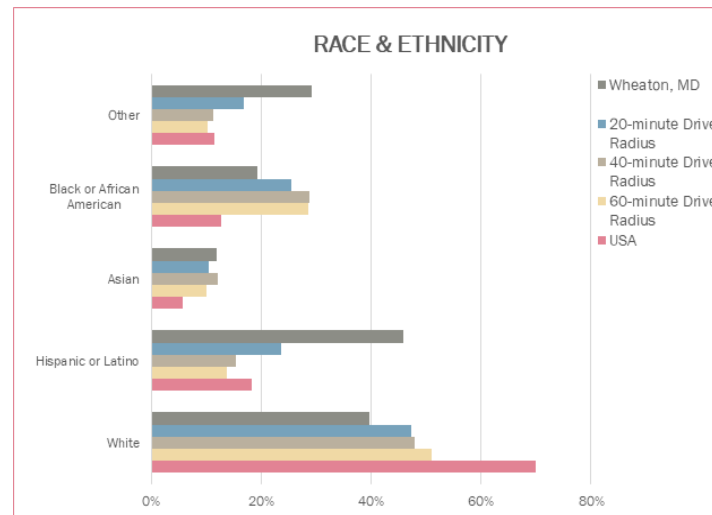
* percent of population



* percent of population

RACE & ETHNICITY

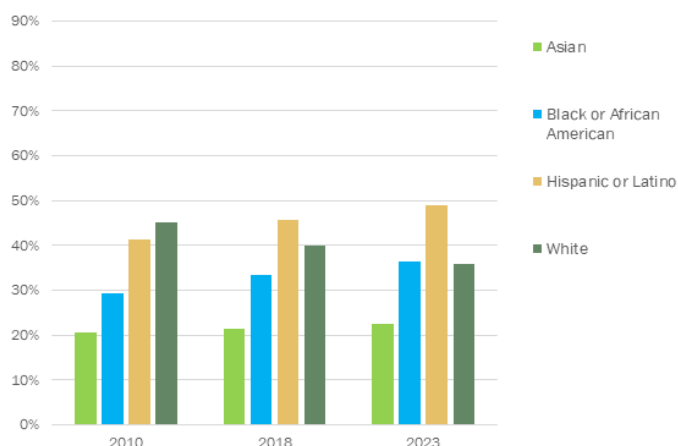
Wheaton and the surrounding area is highly diverse with a Hispanic or Latino population of 46%, greater than all other races and ethnicities in the area. The Asian, African American, and other³ races also have a strong presence in Wheaton. As each of the following graphs illustrate, the proportion of non-white populations is increasing while the white population is declining in proportion, a trend that is predicted to continue. The ethnic diversity of Wheaton should influence programming and program partnerships.



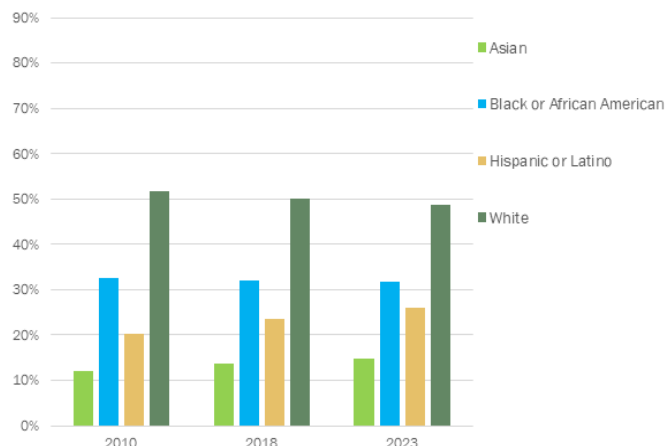
* percent of population

³ Other races as defined by Claritas include American Indian and Alaska Native Alone, Native Hawaiian and Other Pacific Island Alone, Some Other Race Alone, and Two or More Races.

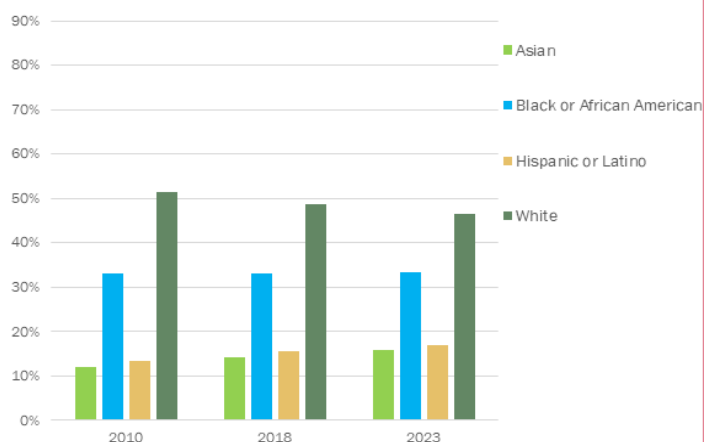
ETHNICITY TREND: WHEATON, MD



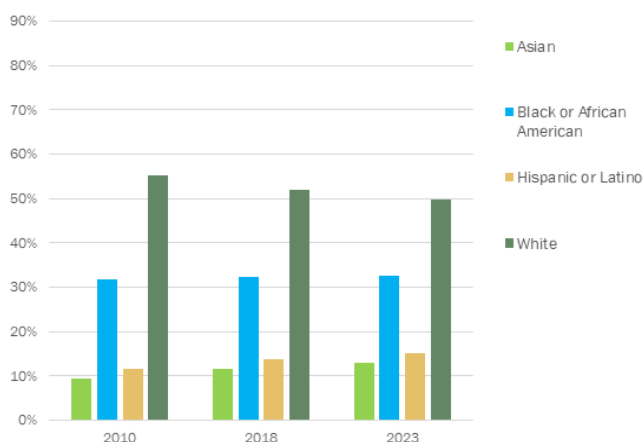
ETHNICITY TREND: 20-MINUTE DRIVE RADIUS



ETHNICITY TREND: 40-MINUTE DRIVE RADIUS



ETHNICITY TREND: 60-MINUTE DRIVE RADIUS

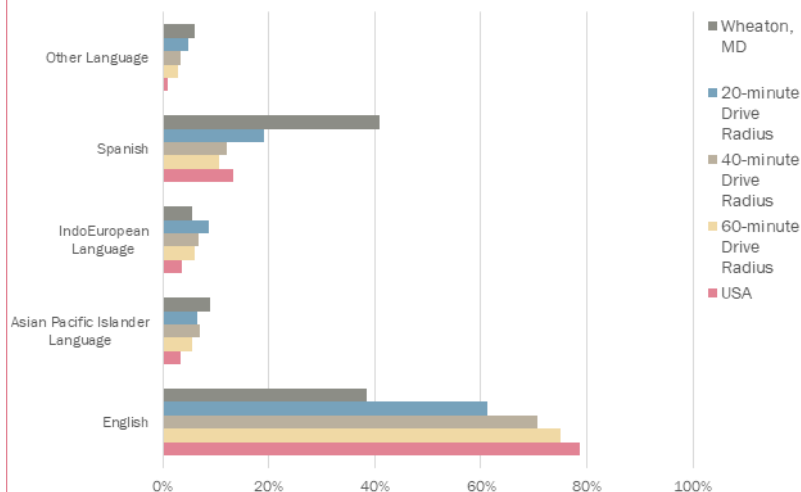


* percent of population

LANGUAGES SPOKEN AT HOME

In Wheaton among people aged 5 years and older, Spanish is spoken at home by 43% of the population, compared to 39% for English. This is a significantly higher rate than the surrounding areas and the US in general. A new facility in Wheaton must take into consideration its Spanish-speaking population and explore opportunities for reaching a diverse audience base when developing new programming.

LANGUAGE SPOKEN AT HOME



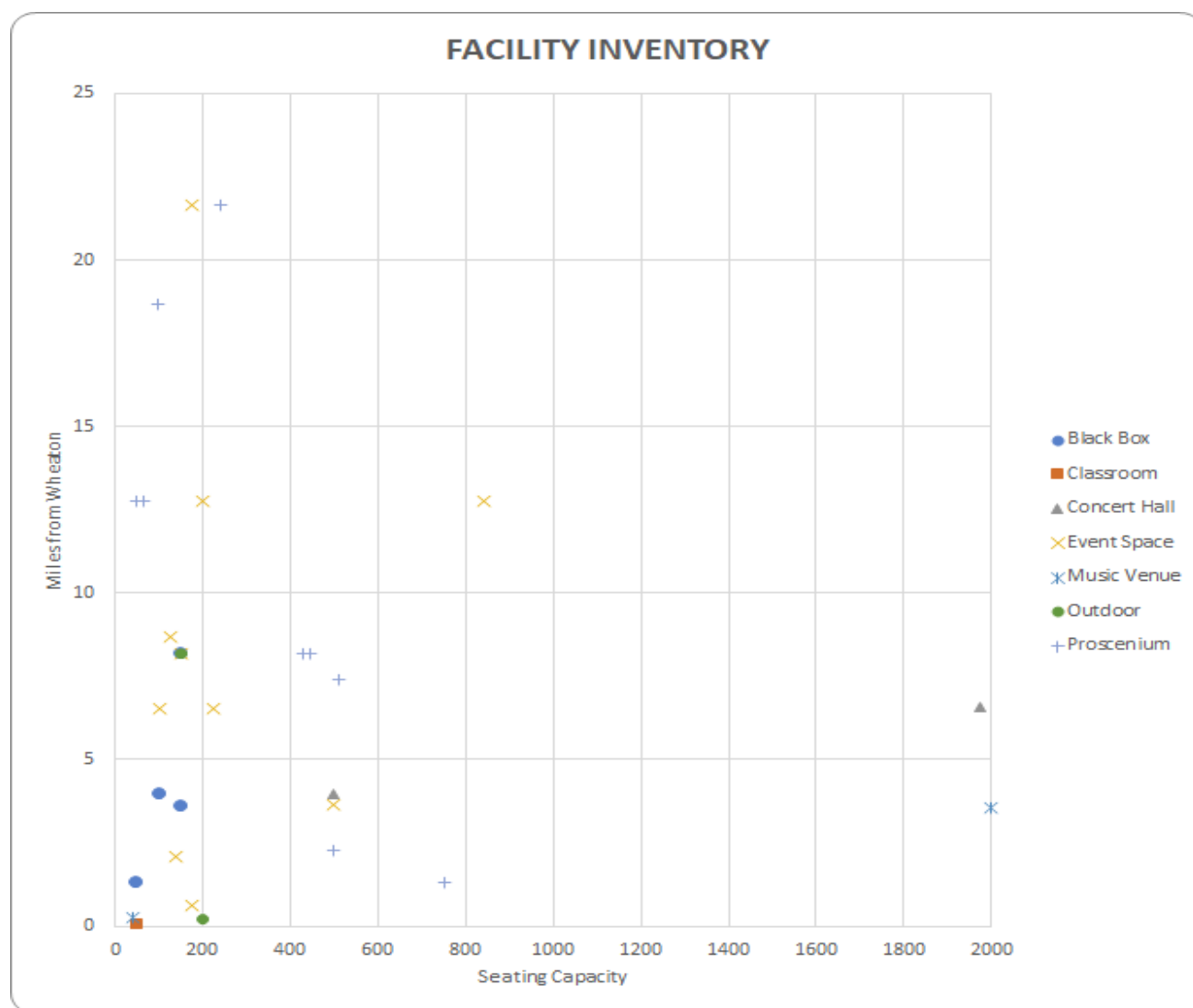
* percent of population aged 5 years and older

FACILITY INVENTORY

An important aspect of facility planning is to be familiar with, and respond to, the competitive environment into which new facilities are inserted. Planning for and positioning new performing arts spaces requires an understanding of the performing arts eco-system of facilities, including facility size, market position, and location as a basis for marketing and operational decisions.

The facilities inventory provides a glimpse into possible program direction and facility accommodations which are not currently in the facilities ecosystem. In a dense market such as Montgomery County, finding unique programmatic pathways is important in defining any future Wheaton facility, their exclusive features and artistic output.

PAFP reviewed 29 spaces, of which 19 are unique venues in the areas closest to Wheaton, as well as other prominent and highly utilized spaces farther afield. Below is a chart that illustrates the inventory (*see Appendix D for full list*):



KEY FINDINGS

- Many of the spaces were visual arts-focused with an events space, and about 83% of the spaces are available to rent.
- A majority of the spaces are non-traditional performance venues and operate as multi-use spaces.
- There is no dedicated space for arts and cultural activity or performances with consistent programming accessible to the public in Wheaton.
- 7 of the 19 unique performance spaces include an outdoor space.
- 82% of the spaces offer programming for children and a majority provide educational programs.
- Few spaces offer film or media programming.
- 9 spaces offer visual arts exhibits and 3 have studio space for artists.
- Montgomery County has a significant number of arts venues offering a variety of programming and facilities to residents throughout the County.
- Many of the facilities visited were running at capacity with little availability of space to new users.

COMMUNITY ENGAGEMENT AND MARKET ANALYSIS FINDINGS

The Discovery and Community Engagement Phases yielded important information that supports the development of a new facility in Wheaton. A facility concept including type, size, and component parts should be based on the opportunities and challenges uncovered in the initial phases. A focus on these opportunities and challenges can offer paths forward and decisions can then be based on understanding the options and implications of developing an arts facility including its operations, programs, and financials.

The decision as to the type of facility and its usage is very important because the business plan for a new arts facility is governed by the specifics of the operation and building characteristics. These include the overall **facility concept, arts programming, usage, and market potential**. Therefore, agreeing on a path forward is a critical step in the study process and is required before the study can progress to the next phase, which includes the development of a facility operational and financial plan.

WHEATON ARTS FACILITY OPPORTUNITIES

Wheaton's designation as an Arts and Entertainment District with accompanying benefits and incentives establishes a good foundation for the development of an arts facility within the District. The lack of adequate performance space in Wheaton has constrained an influx of artists and organizations to Wheaton that could take advantage of the incentives of the designation. Creating available space for arts activities will attract artists, arts organizations and patrons to the District.

There is heightened community anticipation for an arts facility in Wheaton and widespread enthusiasm for the development of arts space. The demographic realities offer strong market potential for arts programming, arts education and arts participation from the Wheaton community.

Wheaton is a vibrant and diverse community without a well-defined arts infrastructure, but it has the attributes that would benefit from an arts facility, one that functions as a resource for the artists of Wheaton. The diversity and breadth of the creative community requires a flexible space with the ability to accommodate a mix of artistic styles and varied programming.

The demographic profile of Wheaton is shifting to include young families, many with teenagers and young children. This segment of the community would benefit from access to the arts and arts education. Also, arts programming for young adults, including arts education, is currently missing in Wheaton.

The arts community of Wheaton is active; however, most artists and organizations that may potentially use the new arts space have limited or no staffs, serious financial constraints, and a dire need for administrative support. This broad-based need aligns with facilities that provide physical space as well as centralized administrative services. This can be accomplished through "arts hub" models and "arts incubators." A facility that not only provides space, but also offers support to the community has the effect of "growing" artists' and arts organizations' capacity, which then enables artistic growth and enhanced output, all of which benefits the community.

The study team identified potential arts and non-arts partners for facility development in Wheaton. Area business owners view the creation of new arts space in Wheaton as a very good thing for their businesses, and in some cases are interested in participating in a significant way. Chuck Levin's Washington Music Center and Westfield Wheaton mall expressed a desire to provide assistance in a general sense. Each explained that they own property in Wheaton and are well connected in the region. Nothing specific was discussed, only an eagerness to help as the facility project moves forward.

Two performing arts organizations interviewed for this report indicated an interest in moving their current operations into a new facility in Wheaton. One currently produces performances in Montgomery County and the other has a performance space in Bethesda and office/shop space in Silver Spring. An anchor tenant/resident organization could provide a stable source of revenue and programming for a new facility.

WHEATON ARTS FACILITY CHALLENGES

A significant aspect of any arts building is its operator. Traditionally, the building operator is responsible for all policies, managing the physical plant, overseeing the facility staff, and in some cases programming the facility. A clear choice as to who will operate an arts facility in Wheaton has not emerged, although there are likely contenders such as the Montgomery County Department of Recreation, a "resident" arts organization, or other non-profits.

A key factor of how well an arts building operates is its overall utilization. How often and by whom will the facility be used? The greater the number of use days for an arts facility, the more stable it is likely to become. The facility is better able to accomplish its mission through program delivery and by actively programming the spaces in the facility. An unused facility, one that is "dark," requires more ongoing financial support than a busy facility with programs and services that attract audiences regularly.

Arts facilities rarely generate sufficient earned revenue to sustain an operation. In all cases, arts facilities require underwriting in the form of contributed income or governmental support. The building operator is responsible for the financial health of the facility, and in this role, must be able to raise the necessary funds to bridge the gap between earned revenue and contributed income. Earned revenue can be defined as space rentals, ticket sales, concessions, and service fees. Contributed income is defined as individual and institutional fundraising, government grants, and sponsorships.

An opportunity listed above includes identifying resident organizations that will call the Wheaton arts facility "home." A resident organization typically has a long-term relationship with the venue and receives certain advantages such as reduced rent. Though this is clearly an opportunity, it also presents a challenge. Resident organizations occupy dedicated space and often space is therefore not available to outside users. This is certainly the case with producing organizations that use space for rehearsals, production and performances. Access by community groups then becomes very difficult and will not serve the broadest segment of the community.

BENCHMARKING

Benchmarking provides a view of comparable existing facilities, programs, and operations around the country and beyond. The benchmarked institutions serve as models to consider as the planning and decision-making process progresses. Benchmarking is helpful to a point, as each institution reviewed is unique in location, communities served, and structure. PAFP has identified four institutions with exceptional performance spaces and programs. These institutions are chosen for the array of programs that serve their communities, meeting the needs of a diverse set of artists and makers. They also serve markets that are close to large urban centers and similar in size to Wheaton.

Below is an in-depth review of the researched arts facilities, noting relevant aspects of their programming, structure, and facility details:

CHAPTER ARTS CENTER

CARDIFF, WALES (UK)

POPULATION: 335,145

<https://www.chapter.org/>

Chapter is a 27,000 square foot multi-artform cultural space based in Cardiff, Wales (UK) that presents and produces international art, performance and film alongside a dynamic social space.



Chapter is home to a wide community of resident companies and individual practitioners who work across all art forms, and includes a lively cafe and bar open daily to the general public. There are over 30 studio spaces situated on the main floor, with adjacent spaces for dance and theater companies, individual artists, animation studios and filmmakers, audience development agencies, graphic designers, motion and interactive design houses, carnival makers and more. Its galleries have regular exhibitions and host a full calendar of classes every month from ballet and creative writing to baby massage and music. There are two black-box theater spaces: one holds between 70-120 people seated or standing, and another can seat between 60-80 and has a standing capacity of 100. The Center also has two film spaces, one that seats 188 and another that seats 57. In addition to the four performance spaces it also offers other rooms, studios and rehearsal spaces for rent to outside users. Chapter presents over 1,000 events a year and welcomes over 800,000 visitors annually. It was renovated in 1971 from a former schoolhouse.

ARTSERVE

FT. LAUDERDALE, FLORIDA

POPULATION: 178,752

www.artserve.org

Artserve offers a range of



support services to artists including opportunities for collaboration, exhibition, performance, professional development, networking, marketing and media programs. As one of the nation's original arts incubators,

ArtServe Business Center was born out of a National Endowment for Arts (NEA) grant in 1991, and in 1993 it merged with the Broward County chapters of Volunteer Lawyers for the Arts and Business Volunteers for the Arts under the umbrella ArtServe. It currently shares its 25,000 square foot venue with a Broward County branch library. This multi-purpose facility provides low-cost space where artists, non-profits and the public can hold classes, workshops, performances, meetings, events, and conduct business. The space includes a 150-seat multi-purpose auditorium, a 400-person capacity main art gallery, a dance studio, artist studios, art class space, private gallery exhibition spaces, 20 affordable offices and suites for artists and non-profits, flex space for workshops, board and meeting rooms, and a gift shop.

SPRINGBOARD FOR THE ARTS

ST PAUL, MINNESOTA

POPULATION: 302,398

<https://springboardforthearts.org/>

Springboard for the Arts is a nonprofit economic and community development organization for artists, connecting artists with skills and services needed for their work. The organization provides a full range of resources for artists, including fiscal sponsorship, workshops, information about health and wellness, professional growth guides, job boards, incubation programs, toolkits for community development and organizing, and many other programs. In May of 2018 Springboard for the Arts purchased a vacant auto dealership in order to turn the current organization space into a highly visible headquarters, artist market, and community space. The space will be used for community events, expanded programming, and new market opportunities including the Little Mekong Night Market in partnership with the Asian Economic Development Association. The project is anticipated to cost around \$5.1 million.



THE ARTS HUB

LAFAYETTE, COLORADO

**POPULATION: 28,261 (WITHIN 30 MINUTES
DRIVING DISTANCE TO BOULDER & DENVER)**

<http://artunder.org/>

The Arts Hub is an 11,000 square foot art center with a lobby, gallery hall, kitchen, art and dance activity rooms and a 195-seat theater. The surrounding grounds contain supporting features, including an outdoor patio, outdoor performance area, sculpture garden, playground and outdoor art activity area. It was formerly called the The Art Underground before it expanded into a new building in 2016. The



organization's mission is to "[grow] a strong arts community by connecting and providing opportunities for diverse populations through a wide-range of engaging arts services." These services include an array of arts education for all ages in dance, theater and visual art; community events such as fundraisers and festivals; several art gallery spaces, murals and outdoor sculpture and community gardens; and performance events featuring local youth talent, high quality community efforts, and professional shows, exhibits and events. In 2016 the organization built a new art center that offers theater, dance and art studios, which are also available for rent to outside users for classes or events. The new center cost about \$3 million, funded by a combination of donations, grants, fundraising and class fees.

The following benchmarked institutions matrix highlights the similarities and differences of each organization. The overview below underscores the findings.

Name	Location	REVENUE						EXPENSES				OTHER INFO	
		Total Revenues	% Contributed		% Pgm Services	% Investment	% Other	Total Expenses	% Pgm Services	% Mgmt and G&A	% Fundraising	Governance	Year Est.
CHAPTER ARTS CENTER	CARDIFF, WALES (UK)	£ 4,294,779	43.60%	Donations: 4.07% Membership: 1.45% Grants: 93.61% Sponsorship: 0.88%	56.37%	0.00%	0.03%	£ 4,214,965	96%	4%	NA	Charity UK	1971
Source: Charity Commission													
ARTSERVE	FT. LAUDERDALE, FLORIDA	\$ 1,854,432	59.48%	Government Grants: 45.93% Other Contributions: 54.07% NonCash : 45.92%	40.40%	0.12%	0.00%	\$ 1,877,988	86.99%	5.86%	7.15%	501c3	1988
Source: GuideStar													
SPRINGBOARD FOR THE ARTS	ST PAUL, MINNESOTA	\$ 4,923,810	94.95%	Government Grants: 4.30% Other Contributions: 95.07% NonCash : 0%	4.87%	0.07%	0.11%	\$ 2,828,974	96%	4%	0%	501c3	1991
Source: GuideStar													
THE ARTS HUB	LAFAYETTE, COLORADO	\$ 487,702	29.89%	Fundraise Events: 17.95% Government Grants: 11.34% Other Contributions: 70.71% NonCash : 35.24%	67.59%	0.00%	2.52%	\$ 517,858	80%	20%	0%	501c3	2007
Source: GuideStar													

- All are structured as charitable organizations or 501(c)3 under the IRS tax code. Springboard for the Arts relies on 95% of its operating expenses to be covered by contributed income while all others rely on a combination of contributed and earned income, however, contributed income is an important component of each institution's budget.
- Contributed income includes fundraising from individuals; foundations; local, state and national governmental arts funders; and corporate support.
- Program Services income includes revenue from ticket sales, education fees, and other revenue from program-related offerings.

- Investment income is typically monies generated by endowments set up to spin-off interest income to underwrite operating expenses.
- Other revenue is income generated from shops, food and beverage service, and ad sales.
- In each case the benchmarked institutions allocate most of their expense budgets (80% to 96%) to Program Services, which includes professional and artistic development, arts services, performances, exhibits, educational programming, and programs that provide access to facilities.
- Management, General and Administrative pertains to the expenses to manage the facility operation and the costs associated with the building and its administration. For each benchmarked institution the non-profit assumes the responsibility of day-to-day management of the facility.
- Fundraising Expenses are those incurred specifically for fundraising activities not associated with programming.

KEY FINDINGS

Benchmarking for Wheaton included the above review of performing arts facilities that are community based and provide diverse programming and services to various communities. Because each community is different, benchmarking does not lead to exact replication of a building and concept, but offers a glimpse at how other communities have addressed the need for arts facilities and programs. These arts facilities provide a range of programmatic and operational modalities. While there is more than one arts facility operational modality represented, there are certain key performance indicators worth noting for Wheaton:

- These spaces provide a nexus for many kinds of arts activities, all-ages arts education, professional development for artists, and community gatherings.
- The spaces each have dedicated programming for professional development opportunities, including creating an incubator environment for artists to grow and thrive.
- Most spaces were renovations of existing buildings, including a vacant auto dealership and an abandoned schoolhouse.
- The benchmarked facilities and their programs are part of an area arts infrastructure for their communities, providing an important stepping stone for artists and arts organizations.
- In all cases, the benchmarked institutions include both performing and visual arts.
- Administrative office and classroom spaces were often found in the institutions researched.

RECOMMENDED ARTS FACILITY STRUCTURAL MODELS - OPTIONS

The missing component in Wheaton's redevelopment effort is an adequate infrastructure for the development and support of artists and arts organizations, with appropriate facilities and programs that enhance the cultural output and identity of the community.

The facility planning process has provided several potential paths forward, each with implications to consider. The options offered do not represent the full range of possible models for Wheaton. PAFP has chosen three that address the greatest need for arts space and how the operation can be structured for the most community impact.

RESIDENT ORGANIZATION MODEL

There are two identified potential resident organizations for a new arts facility in Wheaton, referred to in this report as Theater Company A and Theater Company B. The interest of each is slightly different. Theater Company A would like to move its offices, shops and rehearsal studio into a new facility, but maintain its performance venue in Bethesda. Theater Company B is interested in relocating their entire operation to Wheaton. The distinction is important because each of these two options would require dedicated space for these organizations, therefore making it unavailable for others to use. In the case of Theater Company A, their desire to move non-performance functions to Wheaton may offer a building concept that includes available performance space for other artists and organizations to use. Theater Company B would need all spaces dedicated to their productions and performances, limiting availability to other potential users.

Facility Management & Operator: In the case of the Resident Organization Model, there may also be an opportunity for that organization to act as facility operator and provide administrative support to other arts organizations. This role would require a review and selection process, however as mentioned previously this study uncovered two prominent Montgomery County performing arts organizations that have expressed serious interest in occupying a Wheaton arts facility. The two organizations have the capacity to utilize and operate an arts facility. This is a critical requirement, as facility operations require human and financial resources that other local arts organizations may not have. The governance overseeing the arts facility in this model could be structured with Montgomery County as landlord, which could lease the facility to the Resident Organization with a lease requirement that includes facility operations. Organizations other than the two identified may also have an interest in a long-term residency status in a new facility. Multiple resident organizations can be accomplished within this model, permitting that there is one primary tenant that serves as facility operator. PAFP does not support joint management of a new arts facility in Wheaton as this dilutes overall responsibility with organizations that may have conflicting missions.

Programming & Production: The type of facility most suitable for this model would be a combination of administrative, shop, studio, classroom and performance space. Each space should be large enough to accommodate the Resident Organization, as well as be available to other artists and groups. A performance space of 150 to 300 seats would serve as both a performance and rehearsal space to be used by outside organizations or individuals. There is the opportunity for the Resident Organization to provide support

and educational programming as part of their residency. The Facility would also be available to organizations such as the Wheaton Film Festival, Urban Artistry, Wheaton Arts Parade, Summer Concert Series, and other artists to produce and present work in the facility's performance space.

Financial Responsibility: The financial implications of this model include an earned revenue stream from the Resident Organization's rent, as well as rental revenue from other users, box office and facility fees assessed on all ticketed events, concessions, and ticket revenue. Resident organizations typically pay rent at reduced rates and are granted other favorable lease terms. The costs associated with this model may be mitigated somewhat by the Resident Organization's resources; however, the overall costs of operation, maintenance and upkeep will most likely require additional sources of income either through contributed sources (fundraising) or governmental support to bridge the gap between income and expenses.

Pros & Cons: This model provides the potential for stability through the long-term commitment of the Resident Organization and could also provide built-in programming and support services. Creating a new arts facility that can only be used by one organization is not recommended for Wheaton, as it does not address the needs of the diverse and growing community. Therefore, it is important to consider this model in the context of all communities' space needs. That includes access to performance, rehearsal, classroom and creative spaces in the new facility.

MONTGOMERY COUNTY DEPARTMENT OF RECREATION MANAGEMENT MODEL

A logical option is to add a new arts facility to the roster of facilities already managed by the County's Recreation Department. This model would require the Recreation Department to staff, program and manage the facility.

Facility Management & Operator: Because the Recreation Department does not currently have staff dedicated to arts facilities or arts programming, this area would need to be added to the services offered by Recreation. This model offers opportunities for growing the arts community through facilities and services created, managed and implemented by a County Department. It would require the County to be landlord, manager, programmer, and service provider in the business of the arts. Hiring professional staff with experience in arts facilities management and programming is an option. As noted above, the County may wish to lease the facility to an organization that can handle the management. The County remains the landlord, but the day-to-day operation is handled by arts professionals.

Programming & Production: The new Wheaton arts facility under this model could take on different missions, each benefiting the Wheaton arts community. For example, a facility managed by the Department of Recreation could be structured as an arts incubator or arts hub, or it could be structured as a rental facility making spaces available to a variety of users. Creating programming that serves the growing non-white and non-English speaking populations in Wheaton will be an important part of program planning.

Financial Responsibility: The cost of operating the new arts facility will be the responsibility of the County. Earned revenue sources are likely from rental revenue, class fees, box office and facility fees, and concessions. The shortfall between income and expenses will need to be covered by County funds. Fundraising is more difficult (though not impossible) in this model as individuals may be reluctant to

donate to a governmental agency, and foundations typically require the recipient of funds to be a charitable organization.

Pros & Cons: This model has the potential of being an asset to the Wheaton community as it will provide the greatest community access to an arts facility. The County can design programming that addresses the community's needs for arts space and arts programming without the constraints that come with a Resident Organization's mission and operational demands.

THE ARTS INCUBATOR MODEL

The third option is to create a new 501c3 nonprofit organization to manage the facility with a focus on arts incubation as a featured program component. The nonprofit model is mission driven and supports an important charitable cause. Nonprofits can fundraise from individuals, institutions and governmental agencies. The ability of the incubator operator to fundraise is key to operational stability. The facility will aim to serve artists and arts organizations in Wheaton as well as the surrounding creative community in Montgomery County, in an effort to attract artists to Wheaton to live and work. This option was first recommended by arts consultant Elizabeth Gallauresi⁴, but was not implemented. PAFP supports strong consideration of this model given the community's expressed and discovered needs.

What is it? Arts incubators are like business incubators in that they provide an opportunity for artists who are starting out to professionalize the business of their artform and grow it into something new. They do this through an array of mentorship opportunities, resources, and other professional services. For example, incubators could help launch a burgeoning theater company, including outlining the steps necessary for producing events, as well as providing space for the theater company to develop those productions.

Facility Management & Operator: The County may wish to issue a competitive Request for Proposals for a facility operator to select an organization or entity that would be interested in the Arts Incubator model. For example, there may be an opportunity for a local nonprofit to operate a facility with the Arts Incubator model. In this case, PAFP envisions that the organization manage the facility while providing programming and professional services through its auspices. PAFP had preliminary conversations with local nonprofits regarding this model and received positive interest for this option; further conversations are needed.

Programming & Production: The Arts Incubator Model offers the opportunity to develop programming that best serves the Wheaton community. The facility should include space for the visual arts, as well as "makerspace." The facility should also contain film and performance space that is flexible, easily maintained, affordable, and available to the community for use. As with the previously discussed models, performance space of 150 to 300 seats would serve as a performance and rehearsal space to be used by outside users. Because arts education for all ages is important to the community of Wheaton, as is the availability of classroom and meeting space for community users, this model should include a robust arts class schedule. Partnering with community teaching artists can provide job opportunities for artists and

⁴ Elizabeth Gallauresi of The Modern Muse is an Arts Administration and Planning Consultant. She collaborated on "A Strategic Plan for the Wheaton Arts and Entertainment District 2016-2021" published in April 2016.

contribute to workforce development. Given that food culture and culinary arts are important to the people of Wheaton, having kitchen facilities as classroom space would be a useful component.

Financial Responsibility: Since few artists in Wheaton have the capacity to pay market rates for performance/studio/office spaces, the facility will require underwriting of some kind either from contributed sources or governmental support. The underwriting is needed to cover costs and provide affordable rental rates to outside users. Additional revenue sources include ticket revenue, concessions income, and arts education instructional fees. There is a strong case to be made for how this model will serve the diverse and underserved community of Wheaton.

Pros & Cons: This Arts Incubator model will assist in creating greater capacity for artists and organizations in Wheaton, helping them grow artistically and professionally. The main challenges will be finding an operator, identifying a subsidy source to cover the operating costs, and fulfilling the annual fundraising requirement.

CONCLUSIONS

Based on the work completed in Phase 1 of the Wheaton Arts and Cultural Facilities Study, the study team has identified the following conclusions:

- There is a community need for an arts facility in Wheaton.
- Affordable access to a variety of arts spaces is key among the community needs.
- Classroom and teaching studios should be included in the arts facility.
- A flexible performance space accommodating up to 300 would benefit the community's performing artists.
- Creative studio space is needed.
- The identification of a facility operator and facility programming has not been determined; however, there are structural models that would serve the Wheaton community.

NEXT STEPS

The second phase of the study is the development of a **preliminary program plan** that will outline how a new arts facility may be occupied, programmed, and operated. This will be followed by the development of a **business plan** with an associated **pro-forma operating budget** for the facility. To create an accurate business plan, there is a need to identify the preferred organizational model. The model informs all aspects of the business planning process and is central to the study.

1. An important next step is to review the report findings and recommendations for Wheaton facility models.
2. The preferred structural and organizational model will be selected from the recommendations outlined in this report.
3. PAFP will begin the business planning process for a facility concept using the structural model selected by Montgomery County.
4. The study team will deliver the completed business plan for a Wheaton arts facility.

Note: This project is currently within the Facility Planning process in the County's Capital Improvements Program, or CIP. Therefore, the site for a new arts facility is not a focus of the study. After a business plan for a Wheaton arts facility is completed, the next step in the CIP process is to develop a Program of Requirements, which will include more detailed information about the specific facility needs including square footage requirements.

END