



CITY OF WACO TX WACO ARTS FEASIBILITY STUDY

Prepared for:

City of Waco
P.O. Box 2570
Waco TX, 76702-2570



Prepared by:

Alex Keen, Chief Operating Officer/Senior Consultant
Jennifer Tuchband, Consultant
Keen Independent Research LLC
701 N 1st Street Phoenix AZ 85004
alexkeen@keenindependent.com
www.keenindependent.com

In partnership with

Victor Gotesman, Owner
Victor Gotesman Performing Arts
Facilities Planning

Robert Long, Co-founder
Theatre Consultants Collaborative

Sean Ryan, Principal
Venue



**Theatre Consultants
Collaborative**



**KEEN
INDEPENDENT
RESEARCH**

January 24, 2022

TABLE OF CONTENTS

Introduction 1

Key Questions..... 3

1. How would a new performing arts facility fit within the Waco arts marketplace? 4

2. How does the Waco community feel about arts and culture investment? 12

3. Who would utilize a new performing arts facility in downtown Waco? 13

4. What are key considerations of a new performing arts facility in Waco? 14

5. How would a capital campaign for a new performing arts facility in Waco be funded?..... 18

6. How would a potential new performing arts facility be operated? 19

Implementation recommendations 22

List of appendices and annexes 26



Introduction

Keen Independent, and its subconsultants Victor Gotesman Performing Arts Facilities Planning (VGAFP), Theatre Consultants Collaborative (TCC) and Venue (study team) were retained by the City of Waco, Texas, with the assistance of Creative Waco, to conduct an arts feasibility study for a potential new performing arts venue in downtown Waco.

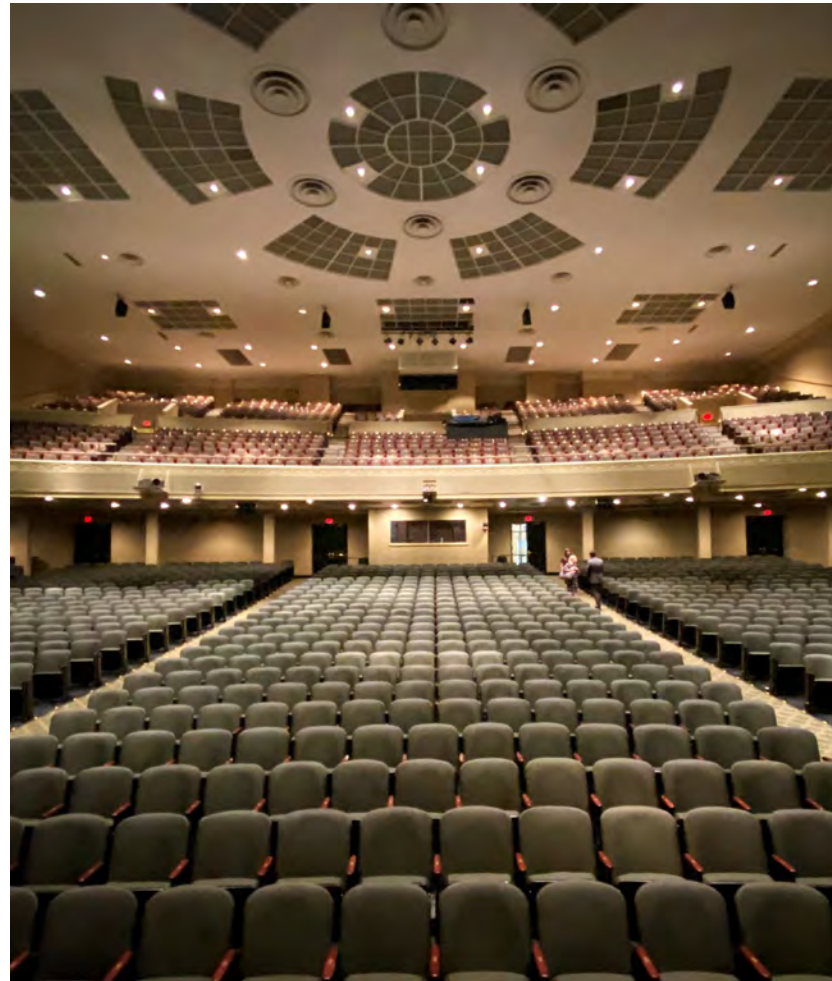
Waco history. The City of Waco is strategically located at a major crossing of the Brazos River, formerly part of the historic Chisholm Trail, now on the Interstate 35 corridor, and in the heart of the “Texas Triangle” economic megaregion. It has a rich and diverse cultural history and was once known as “Athens on the Brazos,” being home to Baylor University, Texas State Technical College, McLennan Community College and former home to Texas Christian University, and Paul Quinn College. Despite its sizeable population of students, Waco was economically and reputationally under-developed for several decades following a series of historic tragedies.

In the 2010’s, the popular home-renovation show, *Fixer Upper*, reignited awareness and popularity of what Waco has to offer to tourists and residents. The stars of *Fixer Upper*, Chip and Joanna Gaines have since opened a popular destination complex, “Magnolia Market at the Silos,” and media platform, “Magnolia Network,” with Discovery+.

Waco is emerging as a popular tourist destination, with a variety of cultural offerings, and is home to population of racially and ethnically diverse communities.¹

¹ (2018). TripAdvisor Announces Travelers' Choice Destinations On The Rise Awards Revealing Top Trending Travel Spots For 2018. *Tripadvisor*. Retrieved from [https://tripadvisor.mediaroom.com/2018-01-09-TripAdvisor-Announces-Travelers-](https://tripadvisor.mediaroom.com/2018-01-09-TripAdvisor-Announces-Travelers-Choice-Destinations-On-The-Rise-Awards-Revealing-Top-Trending-Travel-Spots-For-2018)

1. Waco Hall at Baylor University



Source: Keen Independent Research.

Choice-Destinations-On-The-Rise-Awards-Revealing-Top-Trending-Travel-Spots-For-2018

(2018). Waco tops state for hotel occupancy rate. *KXXV*.

<https://www.kxxv.com/story/38922980/waco-tops-state-for-hotel-occupancy-rate>

Introduction

Study background. With so many cultural offerings, a question arises if Waco is in need of a new performing arts center to support its increasing number of artists, as well as artists who are outgrowing the current performance facilities.

The City of Waco hired Keen Independent in the fall of 2019 to conduct a feasibility study for a performing arts facility in downtown Waco. The study team was hired to give an honest assessment based on qualitative and quantitative data involving the whole Waco community.

Engagement. This feasibility study required wide participation from the Waco community to identify their needs and provide a road map to satisfying these needs. The study team engaged:

- Waco residents;
- Leaders from the City of Waco and McLennan County;
- Staff and board members from Creative Waco;
- Faculty and administrators from Baylor University, McLennan Community College, TSTC and Waco ISD;
- Leaders and creators from the Waco arts and cultural community;
- Waco business community leaders;
- Local venue operators;
- Waco area chambers of commerce; and
- Other key stakeholders.

Overview. This summary report provides an overview of the study process and presents conclusions and recommendations including considerations of the impact that COVID-19 on the arts marketplace.

Supporting appendices and annexes explain the analyses performed in detail.

2. Doris Miller Memorial



Source: Keen Independent Research.

Key Questions

Throughout the study, the study team identified key questions relevant to the feasibility of a new performance venue in Waco. These key questions will be addressed throughout the summary report and supporting documentation.

1. How would a new performing arts facility fit within the Waco arts marketplace?
2. How does the Waco community feel about arts and culture investment?
3. Who would utilize a new performing arts facility in downtown Waco?
4. What are the ideal components of a new performing arts facility in Waco?
5. How would a capital campaign for a new performing arts facility in Waco be funded?
6. How would a potential new performing arts facility be operated?

These are followed by implementation recommendations.

3. Jones Concert Hall at Baylor University



Source: Keen Independent Research.

1. How would a new performing arts facility fit within the Waco arts marketplace?

The first step in determining the feasibility of a new performing arts facility is to determine whether there is a market for one. Will there be interest in utilizing the facility and attending events once it is built? To answer this question and others like it, this market analysis includes the following considerations:

- Impact of COVID-19;
- Inventory of arts facilities in the Waco area;
- Performing arts facility market area;
- Current and projected population and demographic makeup of the city;
- Projected demand for the arts; and
- Potential audience barriers.

Impact of COVID-19

After this study began, the COVID-19 pandemic swept the world and had an enormous impact on the arts in the United States. This impact has continued into early 2022. No arts organization is unaffected.

At the start of the pandemic, many Waco arts organizations were forced to pause their in-person events. Some of these organizations successfully pivoted to virtual engagement and other creative ways to stay engaged with their audience and community. While most Waco arts organizations successfully endured this and have resumed in-person events, there are still financial and attendance strains that may be felt for years to come.

As of early 2022, some uncertainty about the recovery of demand post-pandemic remains. However, signs are positive for a recovery. National ticketing and event company data show increasing customer interest in attending live events; Broadway is cautiously reopening its doors; and national music and theater tours are on the road.²

History shows that people, no matter what the challenge, always choose to come together to join in collective experiences when it is safe to do so.

² Whitten, S., (2021) A 'roaring era' for concerts and live events is coming, says Live Nation CEO. *CNBC*. Retrieved from <https://www.cnn.com/2021/08/03/a-roaring-era-for-concerts-and-live-events-is-coming-says-live-nation-ceo.html>

1. How would a new performing arts facility fit within the Waco arts marketplace?

Environmental Scan

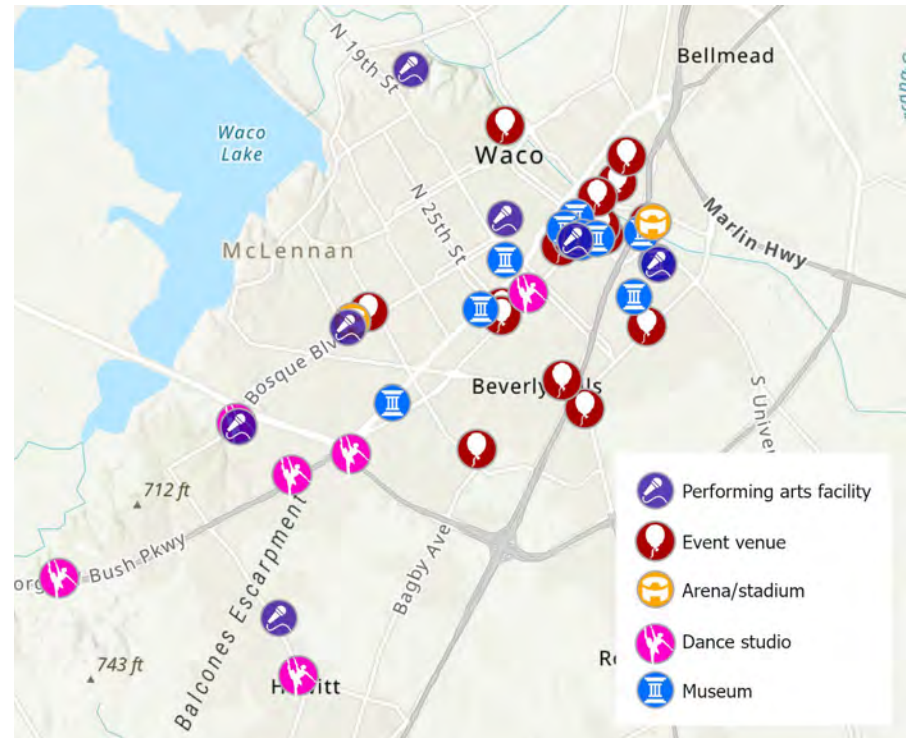
Figure 4 shows the location of museums and venues throughout Waco. Keen Independent identified about 15 traditional performing arts facilities in Waco. The study team recognizes that performances can happen nearly anywhere, but for this analysis, the study team observed facilities with an established permanent stage, that have held performances (free or ticketed) and advertised their events to the general public.

Large multipurpose facilities. Most traditional performing arts facilities in Waco are relatively small (about 500 seats or less). Some multipurpose facilities are higher capacity and may support larger performing arts events. Opportunities and challenges of these facilities are discussed below:

- **Waco Hall:** 2,200 seats; multipurpose performing arts facility reported to be at full capacity with internal Baylor programming and external events;
- **Midway Performing Arts Center:** 1,100 seats; focused on ISD student needs;
- **Extraco Events Center Arena:** up to 9,000 seats; multipurpose arena designed for large touring concerts but not traditional performing arts;
- **Grand Masonic Lodge of Texas:** 3,740 seats; designed for large meetings, could be used for graduations; and
- **Waco Hippodrome Theatre:** 950 seats; designed for medium-sized concerts, film screenings, theatre performances able to be produced on a smaller stage and ballroom gatherings.

See Figure 5 on the following page for a list of arts facilities in the Waco market area.

4. Map of Waco cultural assets



Source: Esri, NASA, NGA USGS, Baylor University, Texas Parks & Wildlife, CONANP, HERE, Garmin, SafeGraph, METI/NASA, EPA, NPS, USDA, Keen Independent Research.

1. How would a new performing arts facility fit within the Waco arts marketplace?

5. Waco market area arts facility inventory

Facility name	Capacity	Facility type	Facility name	Capacity	Facility type
2nd and Clay (proposed)		Event space	Jenny Holley Dance Studio		Dance studios
25th Street Fire Station		Event space	Joy's School of Dance		Dance studios
Armstrong Browning Library and Museum		Museum/library	Jubilee Theatre	190	Theater (proscenium)
Art Center of Waco		Art gallery	Lee Lockwood Library & Museum		
Art Forum of Waco		Art gallery	Howard Ballroom	1,000	Event space
Art Place (proposed)		Event space	Main Atrium	400	Event space
Baylor Club			Lower Atrium	400	Event space
Ballroom	400	Event space	Beard Auditorium	300	Theater (proscenium)
Suite lounge	200	Event space	Library	200	Event space
North lounge	80	Event space	Lion's Den	400	Event space
President's suite	80	Event space	Martin Museum of Art		Art gallery
Baylor University			McCulloch House	60	Event space
Jones Theatre	356	Theater (proscenium)	McLane Stadium	45,140	Stadium
Mabee Theatre	246	Theater (thrust)	McLennan Community College Theatre		
Theatre 11	90	Theater (flexible)	Ball Performance Arts Center	350	Theater (proscenium)
Waco Hall	2,200	Theater (proscenium)	Bosque River Stage	530	Theater (outdoor)
Brazos Event Center	286	Event space	Conference center	328	Event space/meeting space
Brazos Theatre	120	Theater (flexible)	Melody Ranch	1,350	Club/event space
Bridge Street Front Porch		Theater (outdoor)	Midway Performing Arts Center	1,100	Theater (proscenium)
Castle Heights Bijoux	200	Event space	Phoenix Ballroom	650	Event space
Cen-Tex Hispanic Chamber of Commerce	133	Meeting space	Rare Performance Memorabilia		Art gallery
City of Waco Parks & Recreation Department			Red Men Hall	200	Event space
Bledsoe-Miller Clubhouse		Event space	Richfield Performing Arts Center	500	Theater (proscenium)
Brazos Park		Park	Soler Parish Activity Center	500	Event space
Cameron Park Clubhouse		Event space	Studio Gallery		Art gallery
City of Waco Multi-Purpose Facility		Event space	Texas Life Annex	200	Event space
Heritage Square		Park	Texas Ranger Hall of Fame & Museum	600	Event space
Indian Spring Park		Park	The Hall at River Square Center	200	Event space
Suspension Bridge		Bridge	The Palladium	500	Event space
Clifton House	75	Event space	The Praetorian Anthem Studios	70	Event space
Cultivate 7twelve			University High School		Theater
Upstairs studio	60	Event space	Waco Civic Theatre	184	Theater (flexible)
Back patio	35	Event space	Waco Convention Center*		
Main gallery	180	Art gallery/event space	Chisholm Hall	2,600	Event space
Undercroft	25	Event space	McLennan Hall	1,200	Event space
Middle gallery	40	Art gallery/event space	Brazos Ballroom	1,170	Event space
Dr. Pepper Museum		Museum	Texas North 113-115	306	Event space
Extraco Events Center			Texas South 116-118	304	Event space
Coliseum	9,000	Arena	Ranger Rooms	250	Event space
BASE	3,476	Event space	Bosque Theater	191	Theater (proscenium)
Grand Masonic Lodge of Texas	3,740	Auditorium/museum	Waco Hippodrome Theatre	950	Theater (flexible)

Note: *Only displaying rooms with a capacity of greater than 100.

Source: Keen Independent Research.

1. How would a new performing arts facility fit within the Waco arts marketplace?

Market Area

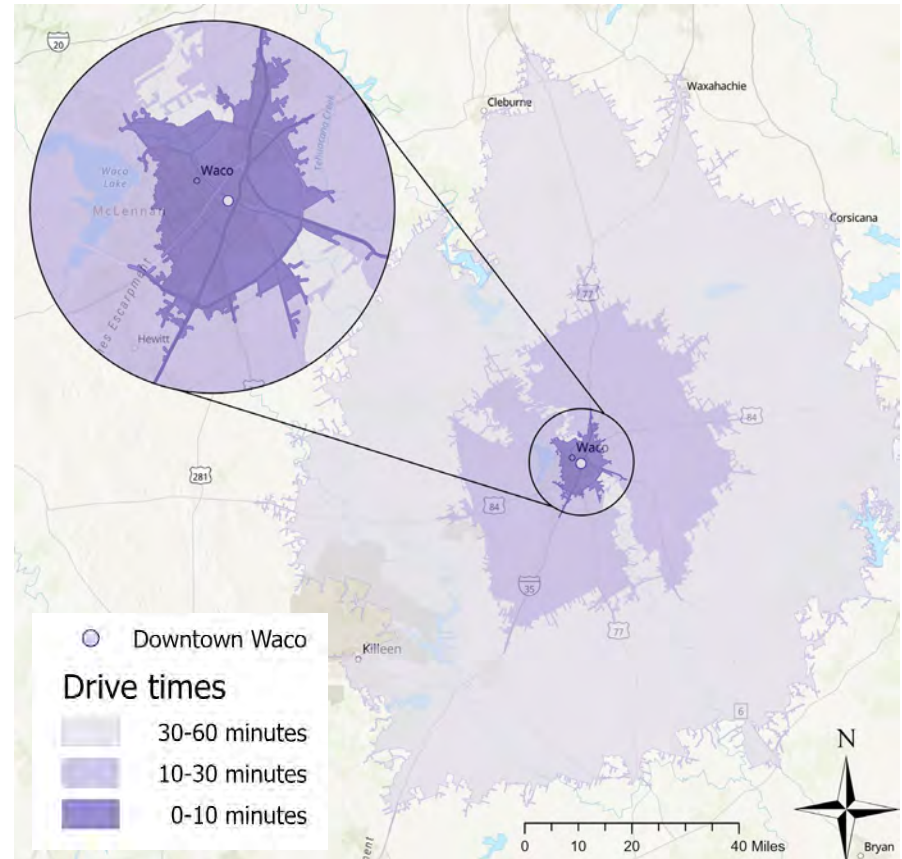
As illustrated in Figure 6, Keen Independent developed three performing arts facility market areas based on drive time to downtown Waco:

- Primary market (within approximately 10 minutes of drive time);
- Secondary market (within approximately 30 minutes of drive time); and
- Tertiary market (within approximately 60 minutes of drive time).

Due to their proximity to downtown Waco, the residents of the primary market area are more likely to be regular attendees and more willing to attend an event on a weeknight.

Primary market area residents might attend any event. Residents of the secondary market area might attend high-profile and weekend events. Tertiary market area residents include those who might attend a high-profile event and/or an event (such as a regional dance competition) involving family members. See Appendix A for demographic information such as age, education, annual household income and race/ethnicity for each market area.

6. Map of Waco market areas



Note: Drive times were determined based on qualitative input from community stakeholders pre-COVID-19 and may not reflect normal fluctuations in traffic.

Source: Baylor University, Texas Parks & Wildlife, CONANP, Esri, HERE, Garmin, FAO, NOAA, CGIAR, USGS, SafeGraph, METI/NASA, EPA, NPS, Keen Independent Research.

1. How would a new performing arts facility fit within the Waco arts marketplace?

Waco Market Area Demographics

The marketplace for a performing arts facility in downtown Waco is sufficiently populated at about 800,000. The secondary market area is almost triple the primary market area, and the population of the tertiary market area is about eight times greater than the primary market area.

Residents of Waco’s primary market is lower income and more diverse than residents of the secondary and tertiary market areas as shown in Figure 7. These demographics indicate a need for a diverse array of affordable events.

With almost half of the primary market population Hispanic and a quarter of the population African American, a new performing arts center will need programming that is inclusive of these populations.

See Appendix A for educational attainment and age demographics for the Waco market areas compared with national averages. This demographic data can be helpful when programming and marketing events.

7. Waco market area demographics, 2021

	Primary	Secondary	Tertiary
Number of households	38,894	104,830	297,033
Annual household income			
\$24,999 or less	39 %	25 %	23 %
\$25,000 to \$49,999	29	25	24
\$50,000 to \$74,999	14	17	19
\$75,000 to \$99,999	8	11	12
\$100,000 to \$149,999	7	13	13
\$150,000+	3	9	9
Total	100 %	100 %	100 %
Total population	109,967	282,589	803,975
Race/ethnicity			
White	50 %	67 %	66 %
African American	23	15	16
Asian or Pacific Islander	2	2	2
Native American	1	1	1
Other	21	13	11
Two or more races	4	3	4
Total	100 %	100 %	100 %
Hispanic (of any race)	41 %	28 %	26 %

Note: Percentages as shown may not add up to 100 due to rounding. All percentages are rounded to the nearest whole number.

Source: American Community Survey via Esri, Keen Independent Research.

1. How would a new performing arts facility fit within the Waco arts marketplace?

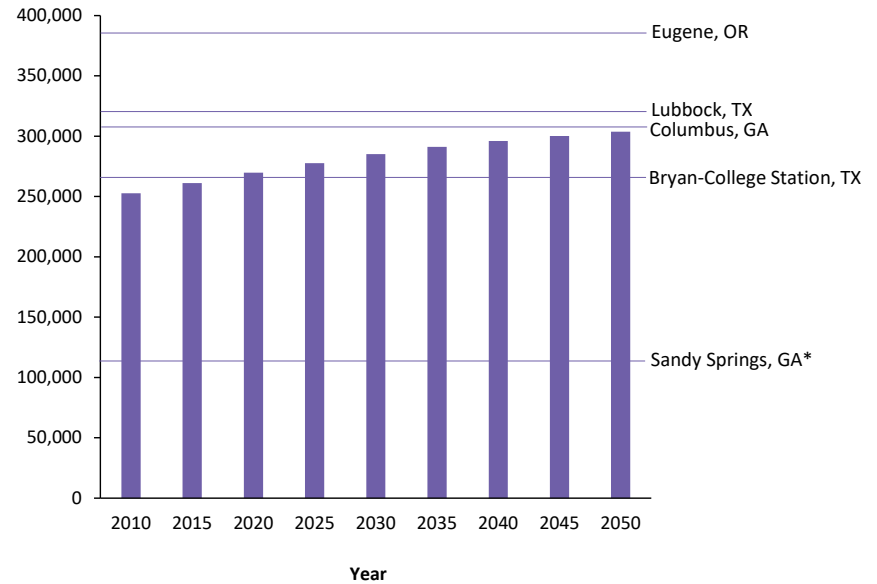
Population Projections

In addition to observing what the arts market is like today, projecting what the arts market will be like in the future when a potential performing arts facility is open is important to consider.

Waco Metro Area demand for performing arts will likely continue to grow. According to the Texas Demographic Center, the region’s population is increasing, which tends to increase ticket demand.

Total population. The State forecasts Waco Metro Area population to grow from 270,000 in 2020 to 304,000 by 2050. Figure 8 illustrates this growth and compares it to the 2018 population estimates of similar cities. This figure also shows how Waco’s projected populations compare with the current population of similar cities that are currently supporting large performing arts facilities. Figure 9 shows a brief profile of benchmark performing arts facilities in each city. For a more detailed profile of benchmark facilities, see Annex C.

8. Waco Metro Area population projections compared with the 2018 population of benchmark cities



Note: Sandy Springs city population is shown because it is part of the Atlanta Metro Area.

Source: Texas Demographic Center, U.S. Census Bureau 2018 American Community Survey, Keen Independent Research.

9. Benchmark performing arts facilities

Performing arts facility	Location	Main stage seat count	Second stage seat count
Sandy Springs Performing Arts Center	Sandy Springs, GA	1,070	350
RiverCenter for the Performing Arts	Columbus, GA	2,000	150
Buddy Holly Hall of Performing Arts and Sciences	Lubbock, TX	2,200	425
Hult Center for the Performing Arts	Eugene, OR	2,448	496
Rudder Theatre Complex	Bryan-College Station, TX	2,500	750

Source: VGPAFP.

1. How would a new performing arts facility fit within the Waco arts marketplace?

Population Projections by Age

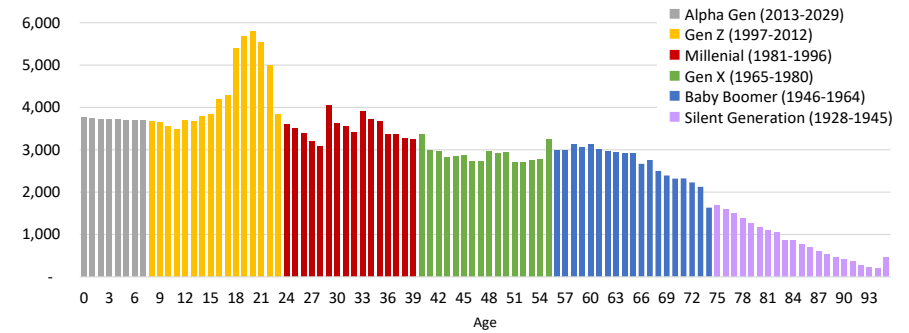
Another factor influencing demand for performing arts in a community is the age of its residents. Data from the NEA 2017 Survey for Participation in Public Arts find that certain age groups are more likely to attend specific types of arts events. For example, individuals age 18 to 24 are more likely to attend a live music performance than older adults; and older adults are more likely to attend a classical music event. As Waco’s population and demographic makeup changes, so will demand for certain types of art.

Figure 10 shows the age distribution for the Waco Metro Area in 2020. The graph shows the population grouped according to widely recognized generations, beginning with the Silent Generation (born between 1928 and 1945) to Gen Z (1997 to 2012) and the Alpha Generation (born in 2013 and more recent years). Figure 10 demonstrates that many residents are age 18 to 22

Figure 11 presents the projected age distribution for the Waco Metro Area in 2050 based on the Texas Demographic Center forecast for the region. Note that Keen Independent shows a 20-year age cohort of people who will be born between 2030 and 2050 as “Beta Gen” (name invented to follow the “Alpha Gen” generation currently being born).

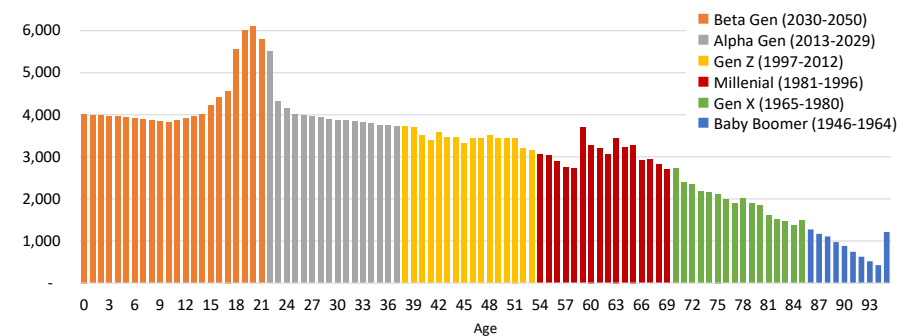
The Alpha and Beta generations are projected to represent the largest portion of the population in 2050, individuals age 18 to 22.

10. Waco Metro Area population by age, 2020



Source: Texas Demographic Center, Keen Independent Research.

11. Waco Metro Area population by age, 2050



Source: Texas Demographic Center, Keen Independent Research.

1. How would a new performing arts facility fit within the Waco arts marketplace?

Demand Projections

Although the impact of the pandemic may be felt for several years, events have already started coming back. Since event attendance is currently trending towards pre-pandemic rates, the study team used pre-pandemic data to analyze future demand.

Figure 12 shows how demand for various genres may continue to increase to 2050 based on population projections by age and 2017 per-capita arts participation with growth between 13 and 19 percent.

Potential Attendance Barriers

According to a report published by the National Endowment for the Arts (NEA), *Why We Engage: Attending, Creating and Performing Art*, common barriers to arts attendance include high cost, lack of time and difficulty traveling to the event. Figure 13 illustrates how barriers have affected attendance of individuals based on income.

Half of the individuals in the lowest income quartile reported “costs too much” as a barrier of attendance, and almost half of the same individuals reported “too difficult to get there” as another attendance barrier. Both of these barriers do not affect individuals with higher income as much.

With almost half of the households in the primary market area earning less than \$25,000, barriers identified by the NEA may be similar to the barriers faced by primary market residents.

12. Projected change in demand in the Waco Metro Area by genre

	2020	2030	2040	2050
Jazz music	0 %	5 %	10 %	13 %
Latin, Spanish or salsa music	0	5	9	12
Classical music	0	9	14	17
Opera	0	10	15	19
Musical plays	0	6	11	14
Non-music plays	0	7	11	15
Ballet	0	7	12	16
Dance performances other than ballet	0	6	11	14
Movies	0	5	10	13
Art museums and galleries	0	5	9	13

Source: 2017 NEA Survey of Public Participation in the Arts, Texas Demographic Center, Keen Independent Research.

13. Percent of non-attending adults within each income quartile who reported barriers to arts attendance, 2016

	Lowest 25%	2nd quartile	3rd quartile	Highest 25%
Costs too much	50.0 %	41.7 %	29.3 %	30.8 %
Lack of time	45.1	57.2	62.0	62.0
Too difficult to get there	42.1	20.1	26.0	23.3

Note: Figure is based on national data, not specific to Waco. These barriers were identified most often. Additional barriers can be found in the original NEA report.

Source: NEA (2020) *Why We Engage: Attending, Creating and Performing Art*.

2. How does the community feel about arts and culture investment?

Throughout the study period (while navigating the challenges of COVID-19), Keen Independent conducted qualitative research by hosting public meetings, community events, a telephone hotline, study email address and a virtual workshop that the public could choose to participate in at their convenience. The study team also conducted in-depth interviews with representatives of Waco arts organizations. Overall, Keen Independent engaged a robust sample of more than 300 community members for input.

Through this qualitative research, the study team gleaned anecdotal experiences and preferences, recommendations for the future of the arts in Waco and input about arts and culture investment.

Perception of Venue Inventory

Figure 14 illustrates the portion of virtual workshop respondents who believe there is or is not enough performance space in Waco. Feedback from community events and representatives of Waco arts organizations have provided a similar response regarding performance space in Waco.

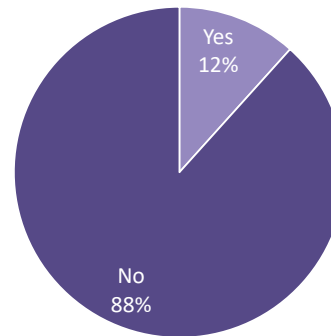
Community Needs

Many community members have indicated a desire for higher-profile events to come to Waco, which would require a larger venue with a higher seating capacity than what is currently available. Some community members have indicated that they leave Waco to seek out high-quality performances in Dallas-Fort Worth or Austin.

Arts Organization Needs

Waco artists and arts organization representatives have reported a need for more performance space that is affordable, available to the community and easy to access. Some of these representatives have indicated that they need a large performance space, while others prefer smaller spaces that have flexible configurations.

14. Virtual workshop participant responses when asked if there is enough performance/event space in Waco



Source: Keen Independent Research.

“None [are] truly ideal.”

“With the rise of businesses in Waco, I don’t see why we can’t afford a performing arts center.”

“[Waco] needs a venue for larger shows like Dallas and Austin have.”

“Concerts mean weekends out of town for us. I would love to see decent artists come to Waco.”

“Our local groups are outgrowing their current spaces.”

“We need more venues for performance.”

“[Waco has] a lack of small artist spaces.”

“We find ourselves paying more than we earn just to hold events.”

3. Who would utilize a new performing arts facility in downtown Waco?

If a new performing arts facility is constructed in Waco, its programming would likely have a combination of national and regional touring acts, performances by local arts organizations, community and cultural events, festivals, weddings, educational seminars, public meetings and other types of public assembly.

Likely local users. Based on ongoing contact with Waco organizations, potential frequent local users may include:

- Baylor University;
- McLennan Community College;
- Texas State Technical College;
- Waco Civic Theatre;
- Waco Convention and Visitors Bureau;
- Waco ISD and other school districts;
- Waco Symphony Orchestra; and
- Other nonprofit and commercial users.

Community. If the new performing arts facility is programmed effectively and rental rates are made accessible to local organizations, attendees to events at this new facility will likely include a diverse array of individuals including community members of various races/ethnicities and income levels, university students, tourists, members of nearby communities and others.

15. Waco Civic Theatre performance



Source: Creative Waco.

4. What are key elements for a new performing arts facility in Waco?

Seat Count

The challenge of differing seat count needs is typical of new performing arts facility investment.

- National touring acts require high seat counts to be profitable.
- Local arts organizations want smaller and more intimate spaces that are low cost to rent and easy to sell.
- Large performance halls can create difficult and expensive acoustical considerations.
- Talent wants to perform to sold-out performance halls.

Analysis. Many factors are analyzed to determine an appropriate performing arts facility seat count. The study team examined:

- Existing Waco inventory and map of cultural assets (Figures 4 and 5);
- Waco arts organizations’ historical attendance and likely future attendance through in-depth interviews, Waco arts demand projections (Figure 12) and review of national performing arts trends;
- Waco arts organizations’ current and future facility needs;
- Reported community seat count preference (Figure 16);
- Performing arts facility space program options that maintain appropriate amenities and acoustics;
- Different construction cost models based on proposed building gross square footage (Annex B); and
- Revenue models based on seat count and use (Annex C).

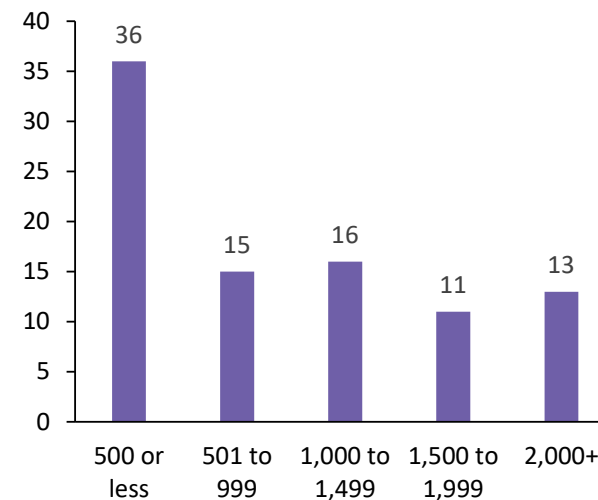
Recommendation. Many Cities choose to construct performing arts facilities that have several different spaces with differing configurations and seat counts. This appears to be the right model for Waco.

The study team recommends that a new performing arts facility in Waco have a *1,500-seat performance hall* with a balcony for several reasons:

- No existing Waco inventory is replaced;
- National touring acts can be profitable with 1,500 seats;
- The performance hall will be acoustically appropriate for Waco university and arts organizations; and
- Many existing Waco academic and arts organizations can grow into a 1,500-seat performance hall over time (capacity can be reduced by not selling balcony seats).

Additionally, the study team recommends that a new performing arts facility in Waco have an *intimate 200-seat multi-use room* to serve local arts organizations who attract smaller audience sizes.

16. Number of times a specific seat count was identified by virtual workshop participants



Source: Keen Independent Research.

4. What are key elements for a new performing arts facility in Waco?

Space Program

A space program is a tool used in feasibility studies to calculate the estimated size and configuration of a new facility.

The study team developed space programs for a 1,000-seat, 1,200-seat, 1,500-seat and 1,800-seat multi-purpose performing arts facility with administrative, technical and gallery spaces included. The mainstage would be designed to be multidisciplinary and appropriate for events such as touring productions, theater and musicals, instrumental concerts, orchestras, dance performances, comedy, live speakers, film screenings, livestreaming as well as other types of live performances. Figure 17 shows a summary of the estimated square footage for each scenario.

Multi-use room. Many stakeholders indicated an interest in a smaller black box performing arts space. This flexible, multi-use room would seat about 200, serve as a second performance space and could be used for rehearsals or smaller productions, such as staged readings, speakers, or meetings. It can also be used as a teaching space for performing arts classes and workshops.

Media/Broadcast studio. Some stakeholders indicated an interest in the inclusion of a media/broadcast studio in the performing arts facility to foster the emerging film and digital media industry in Waco. This could be utilized for recording/presenting/editing original content for broadcast media, streaming services, training, conferences, and filmmaking. The studio could also serve as rehearsal and performance space, and a training facility for media technicians and professionals.

17. Gross square footage (GSF) of the potential facility by seat count

Number of seats	GSF
1,800	104,779
1,500	95,340
1,200	86,287
1,000	77,233

Source: Theatre Consultants Collaborative.

4. What are key elements for a new performing arts facility in Waco?

Cost Estimate

Depending on the seat count, square footage, amenities, location, site modifications, labor cost, materials pricing, state of pandemic and other factors, the capital cost to construct the facility is expected to range from *\$70 million to \$100 million*. Inclusion of a multi-use room and media/broadcast studio could put cost at the upper end of the projected range.

The study team recommends that next steps are taken to conduct a basis-of-design process to refine these cost estimations. See Annex B for more cost information.

Location

The study team, in collaboration with City of Waco leadership and key stakeholders, assessed various location options for a new performing arts facility.

Recommendation. The study team recommends that, if a new performing arts facility is constructed, it be built on the Brazos riverfront. In addition to scenic views associated with being near a water feature, the Brazos riverfront is central to Waco. A future performing arts facility on the river could help anchor economic and cultural investment in downtown Waco.

In late 2021, Baylor announced a partnership with the City of Waco regarding a basketball venue and other development along the Brazos River.³ This partnership includes a non-binding agreement to contribute \$20 million towards a new performing arts facility. Opportunities may exist to further develop Baylor’s Brazos riverfront site with a performing arts facility in the future.

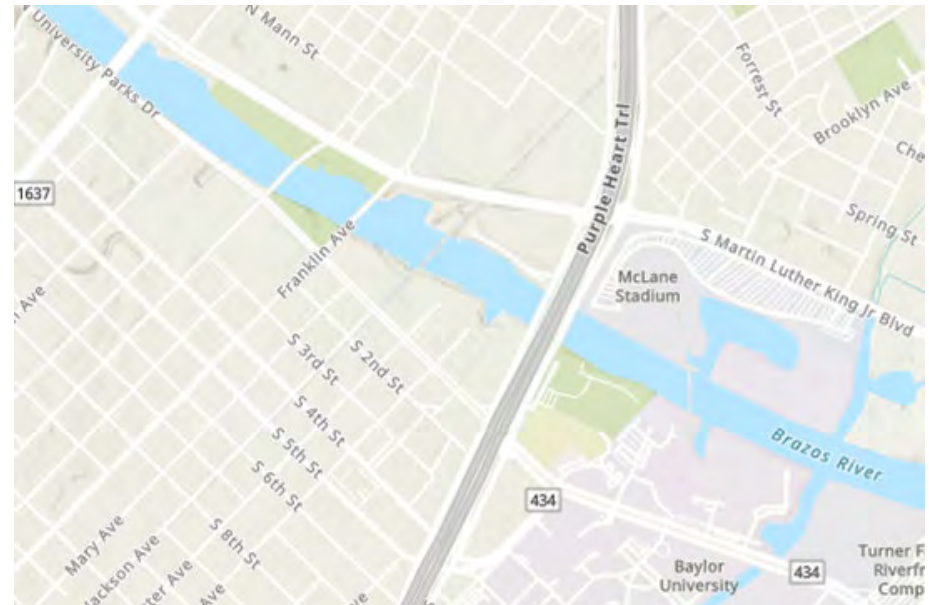
³ Saegert, R., (2021) Baylor-Waco basketball deal opens door to performing arts center, STEAM center. *Waco Tribune-Herald*. Retrieved from [tinyurl.com/4uefzhvf](https://www.tinyurl.com/4uefzhvf)

18. View of Brazos River running through Waco



Source: Keen Independent Research.

19. Map of Brazos River in Waco



Source: Esri.

4. What are key elements for a new performing arts facility in Waco?

Technology and Amenities

Keen Independent developed a “wish list” of preferred technology and amenities identified by virtual workshop participants. Figure 20 illustrates this wish list.

Rehearsal space was identified most often as a need in a new performance venue. Dressing rooms, scene/costume shop and black box were also identified as desirable.

When discussing technology needs, community members primarily identified high-quality audio, lighting and acoustics.

Note that the virtual workshop was conducted pre-COVID-19. Video technology such as recording equipment and broadcasting were not mentioned as often, but due to the COVID-19 pandemic there may be an increased demand for this technology.

See Appendix C for a more detailed analysis of technology and amenity needs in a new performing arts facility.

Definitions of Technical Theater Terms

Audio: Relating to sound and its amplification.

Black box: A flexible indoor performance or rehearsal space with a flat floor and entirely black structural interior.

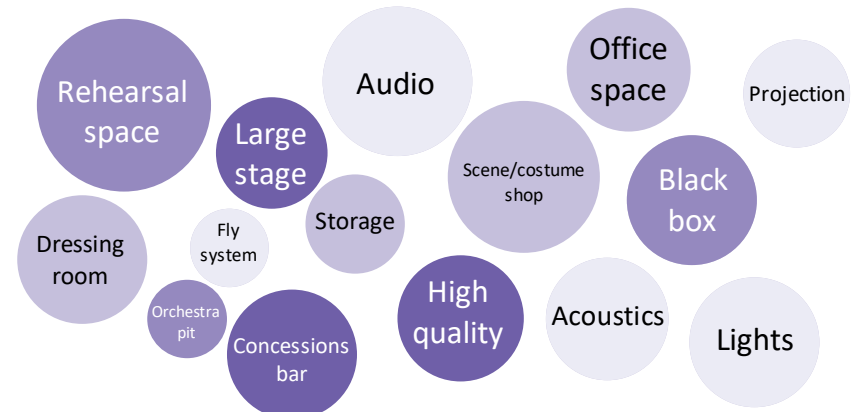
Costume shop: Where costumes for productions are designed, built and stored.

Fly system: A theatrical rigging system used to hoist scenery to and above the stage.

Orchestra pit: Area in front of and/or below the stage in which musicians perform.

Scene shop: Where set pieces for productions are designed, built and stored.

20. Technology/amenity preferences identified by workshop participants



Source: Keen Independent Research. Space Program

21. McLennan Community College Music & Arts Black Box Theatre



Source: Keen Independent Research.

5. How would a capital campaign for a new performing arts facility in Waco be funded?

Potential Capital Funding Options

Waco City leadership, Baylor University, Creative Waco and key stakeholders are considering several means of funding.

A new performing arts facility in Waco may be funded by a combination of:

- Tax increment financing (TIF);
- Partnership with Baylor University that has offered \$20 million in support;
- Partnerships with other academic institutions;
- Private capital campaigns; and
- Other capital funding tools.

See Annex C for more information on capital and operational funding.

Benchmark Examples

For similarly sized performing arts facilities in benchmark communities, funding construction has been accomplished through public-private partnerships (Sandy Springs and RiverCenter), creating a nonprofit organization to raise funds (Buddy Holly Hall), bonds (Hult Center) and other means.

For more information about how similar venues were funded in similar communities, see Annex C.

22. Hult Center for the Performing Arts



Source: Wikipedia Creative Commons.

23. Buddy Holly Hall under construction



Source: Wikipedia Creative Commons.

6. How would a potential new performing arts facility be operated?

Study team member, VGPAFP, was charged with developing an operating plan for a potential performing arts facility in Waco. VGPAFP conducted benchmark research on similar cities with a performing arts facility that are similar to the type of facility considered in this study. VGPAFP utilized findings from these benchmarks to guide recommendations for a potential new facility in Waco.

Operating Plan Options

The study team presents two operating plan options (see Annex C):

- Nonprofit owned and operated; and
- Nonprofit owned, venue management company operated.

Both options require either a newly created nonprofit entity or an existing nonprofit to add the facility ownership and relevant operations to their mission. A nonprofit entity can also provide an effective means of raising capital and operating funds through tax deductible donations.

Additionally, the City of Waco could choose to retain the performing arts facility in its portfolio and engage a nonprofit operator, engage a for-profit venue management company operator or operate the facility itself. Budget considerations for these models are not significantly different than the models described below.

Nonprofit operated. If a new facility is operated by a nonprofit, the nonprofit will need to be staffed with venue management experts using a national search to assemble its team. The nonprofit operator will likely be mission-focused and able to develop strong relationships with its resident organizations. However, nonprofits also often struggle with finances and usually require a substantial amount of contributed income, which may include the need for a government subsidy.

VMC operated. Venue management companies (VMC) are for-profit experts in performing arts facility management. VMCs are often global companies, such as ASM Worldwide or Spectra, or a local company with performing arts facility management experience. With shareholders in mind, global VMCs tend to be less inclined to operate venues with lower seat counts or mission-driven programming due to concerns of meeting their profit requirements.

Recommendation. Take time to consider different operating models and explore several options during the next phases of the process. There is no perfect model and the one that is chosen needs to fit with the priorities of the City of Waco and its community.

24. McLennan Community College Ball Performing Arts Center



Source: Keen Independent Research.

6. How would a potential new performing arts facility be operated?

Operating Budget

Performing arts facilities have substantial ongoing operational costs that must be considered. VGPAFP developed operating budgets that evaluate each operating/ownership model.

Figure 25 illustrates how each budget compares to the other. Both operating/ownership models yield similar revenues and expenses as well as a similar ratio of earned to contributed income. Operational deficits shown in either model are normal for performing arts facilities and nonprofits. Contributed income in the form of donations, grants, sponsorships, hotel occupancy tax allocations and other sources are needed to make up funding gaps (see Annex C for detailed budgets).

Programming

Waco community members identified many types of events when asked what types of events they would like in a new performance/event venue. Figure 27 on the following page identifies how often community members mentioned certain types of events. Music and theater events were identified most often.

A future performing arts facility in Waco will provide unique programming opportunities for the Waco community through presented touring productions, as well as provide a home for some of Waco's most important performing arts organizations. Programming could include theater productions, dance performances, concerts, recitals, amplified music, lectures, film screenings and special events.

The performance space may also accommodate weddings, private parties and other non-performance events.

Figure 26 illustrates the projected usage of the potential future 1,500-seat performance hall (see Annex C for additional utilization information).

25. Two operating budget scenarios for a new arts facility in Waco

	Nonprofit owned & operated	Nonprofit owned/ VMC operated
Revenue		
Earned	\$ 2,064,825	\$ 2,151,225
Other	313,000	313,000
Total revenue	\$ 2,377,825	\$ 2,464,225
Expenses		
Operating	\$ 1,390,000	\$ 1,390,000
Facility & administrator	1,977,958	2,169,638
Total expenses	\$ 3,367,958	\$ 3,559,638
Net surplus/deficit	\$ (990,133)	\$ (1,095,413)
Contributions income needed	990,133	1,095,413
Earned income percentage	71 %	69 %
Contributed income percentage	29	31

Source: VGPAFP.

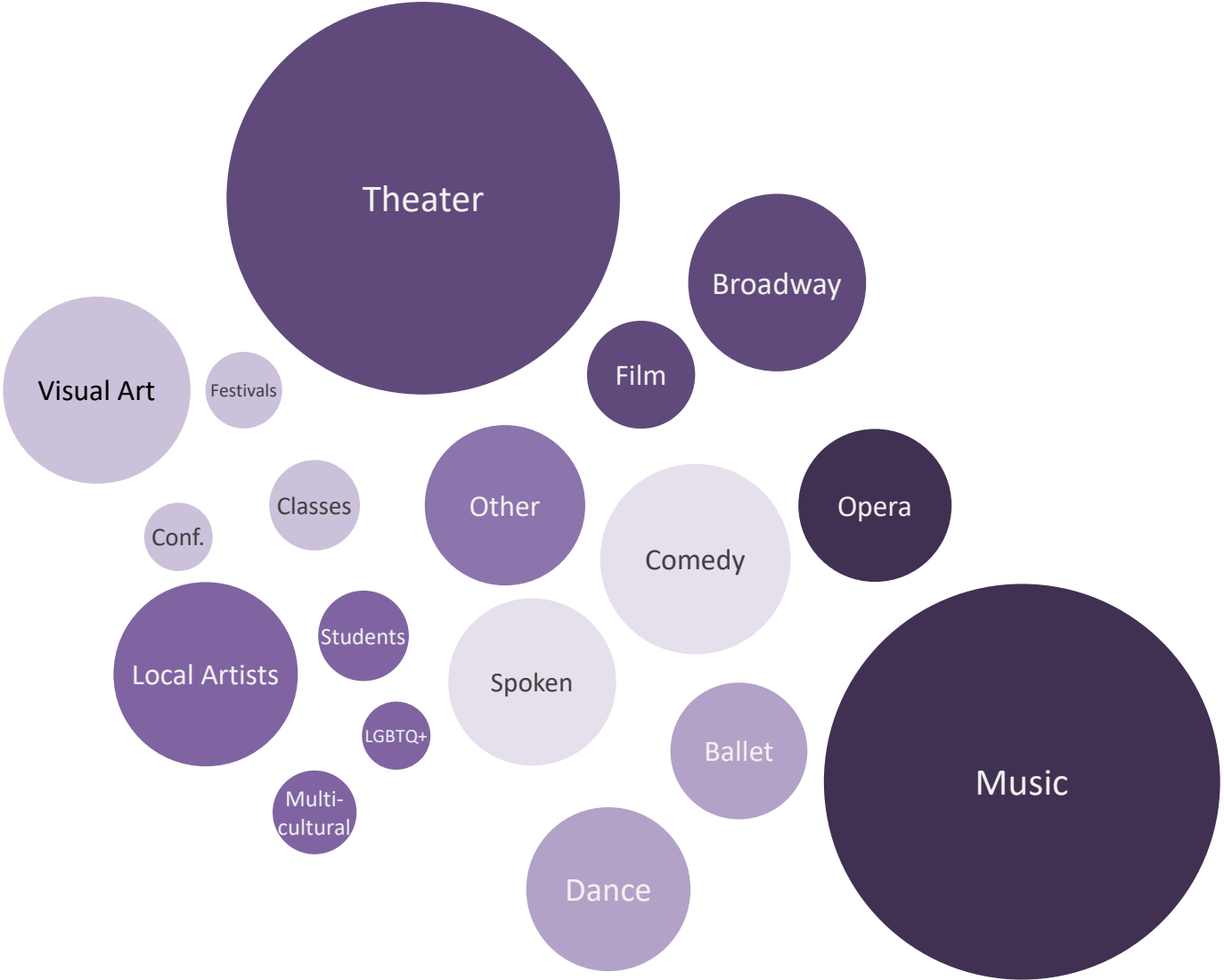
26. Projected number of days of use of the potential future 1,500-seat performance arts hall in Waco

	Performance	Rehearsal	Non-ticketed events	Total
Internal	12	-	21	33
Resident organizations	86	36	10	132
Community	83	32	5	120
Total	181	68	36	285

Source: VGAFP.

6. How would a potential new performing arts facility be operated?

27. Types of events mentioned by virtual workshop participants when asked what type of events they would like to see at a new performance/event space in Waco



Source: Keen Independent Research.

Implementation recommendations — feasibility assessment and scope

Feasibility

Is a new performing arts venue facility in Waco feasible?

Yes, with continued hard work!

Understanding why a project is deemed feasible is key for future success. The study team finds a new performing arts facility in Waco to be feasible for the following reasons:

- **Strong demand.** The existing Waco arts market appears to be healthy and likely to recover post-pandemic.
- **Limited supply.** Existing performing arts facility inventory is not fully positioned to meet current and future arts demand. Some facilities, such as Waco Hall, have limited availability for other arts organizations to utilize the space.
- **Market leakage.** Many Waco residents have reported that they travel to Austin or Dallas/Fort Worth to attend big-name performances (see Appendix A). With so many people willing to drive 90+ minutes out of the city, Waco may be missing an opportunity to capture these audiences.
- **Advantageous location.** Since Waco is located directly between two large cities, the City is well-positioned to be a stopping point for shows touring through the region. Potential sites have been identified that are beneficial to community and economic growth.
- **Positive projections.** There will likely be future growth in arts demand in Waco due to projected population increases.
- **Demonstrated willing partners.** Baylor University and other stakeholders have indicated a desire to explore partnership opportunities with the new performing arts facility.

Recommended Building Scope

The study team recommends the following building scope to address the wants and needs of the arts community and audiences. For a more detailed list of recommended spaces with square footages, see Annex A.

- An auditorium with a balcony that holds 1,500-seats and includes an orchestra pit;
- A flexible, multi-use room that can accommodate about 200 seats;
- Dressing rooms, performer lounge and storage rooms that sufficiently support the performance spaces;
- Media/broadcast studio;
- Administrative offices; and
- Catering support space.

Examples of success. The study team evaluated similar facilities in communities as benchmarks for Waco based on the following criteria:

- Metro area population;
- Presence of a major university;
- Distance from a major metropolitan area;
- Facility seat count; and
- An additional multi-use space in the facility.

The facilities on the following page serve as benchmarks to help guide an understanding of what a new performing arts facility in Waco might entail. For more detail on these facilities as well as additional benchmarks, see Annex C.

Implementation recommendations — examples of success

Learning from Texas Examples

What benchmarks can we learn from? Cities in the State of Texas have a history of supporting investment in cultural and performing arts infrastructure that can provide a roadmap for success.

Buddy Holly Hall of Performing Arts and Sciences, Lubbock, TX.

This facility was developed as part of a strategy to revitalize downtown Lubbock and to enhance the area's economic impact. Performance and event spaces include:

- Helen DeVitt Jones Main Theater: 2,200 seats on four levels, including VIP Lounges;
- The Crickets Studio Theater: 425 seats;
- Ballet Lubbock Pre-Professional Academy: a 22,000 square foot dance center; and
- Multipurpose Event Room: 6,000 square feet.

University presence. Texas Tech University College of Arts & Sciences.

Ownership structure. Owned by 501c3 nonprofit Lubbock Entertainment and Performing Arts Association (LEPAA), formed for the purpose of raising funds to design and construct the facility. Operated by ASM Global, the venue management company with multiple venues throughout the United States.

Programming. Programming includes a variety of Broadway shows, concerts, comedy attractions and family programming throughout the year. The facility is also home to Ballet Lubbock, the Lubbock Symphony Orchestra and Lubbock ISD Visual and Performing Arts.

Financial Information. The construction budget for Buddy Holly Hall was \$153 million. The facility has a capital endowment, as well as innovative partnerships with local arts organizations, public schools, universities and private corporations.

The Rudder Theatre Complex, Bryan-College Station, TX.

This complex was constructed to accommodate the growing needs of the Texas A & M University community and its increased student body. Performance and event spaces include:

- Rudder Auditorium: 2,500 seats (1,500 on the Orchestra Level and 1,000 in the Balcony);
- Rudder Theatre: 750 seats;
- The Forum: 250 seats; and
- Exhibit Hall: 6,000 square foot multipurpose space.

University presence. Texas A & M University.

Ownership Structure: The performing arts center (Complex) is on the Texas A & M University campus and is operated by A & M University Center & Special Events.

Programming. Programming includes a combination of Broadway productions, popular concerts, classical music, variety shows, movies, lectures, conferences, commencement ceremonies and recitals. The Exhibit Hall is used for trade shows, career fairs, educational and art exhibits, receptions, and class registrations. The public can rent facilities for community performances and events.

Implementation recommendations — how do we get from where we are to where we are going?

Building a new performing arts facility is a significant investment and will take significant effort over several years or more. Below, key implementation steps are discussed.

- **Task force.** Establish a task force made up of City officials, future partners and other key stakeholders to lead and offer advice throughout the process of constructing and opening the facility. The task force will lead the processes that follow.
- **Site selection.** Select a site and handle the legal processes associated with the site selection.
- **Design and renderings.** Engage a partner to work with the task force and stakeholders to further refine the proposed facility space program and cost analysis with a basis-of-design process and development of conceptual renderings.
- **Capital and operational funding.** Work with appropriate parties to implement funding tools to gather suitable capital resources and funding for ongoing operational support.
- **Operating model selection.** Evaluate and decide on the preferred operating model from this report to set framework for a future nonprofit.
- **Endowment.** Launch an endowment campaign to support the community use of performing arts facilities.

See Appendix E for a checklist of items to do and consider throughout the building, construction and opening process.

29. Extraco Event Center arena performance



Source: Creative Waco.

30. Grand Masonic Lodge of Texas auditorium



Source: Keen Independent Research.

Implementation recommendations — how do we get from where we are to where we are going?

Final Recommendations for Waco

For this initiative to be successful, the Waco community will need to follow the following four key principles.

- 1. Keep the momentum!** Throughout the study period, even during the worst of the pandemic, enthusiasm for a new performing arts facility was strong. The time appears to be right to take next steps in this process. Keep the momentum going to the finish line.
- 2. Know the opportunities and challenges.** New performing arts facilities have large community benefit, spur economic development and foster creative culture. They are also expensive to build and operate. An awareness of the opportunities and challenges is crucial for future success.
- 3. Be inclusive from the start.** Waco is a diverse community in so many ways. For a new performing arts facility to be successful, everyone needs to feel like it belongs to them and that they have had a seat at the table from initial concept stages to opening and beyond.
- 4. Follow a process.** Aligning all stakeholders, resources and community members is very difficult when building a performing arts facility. It is important to follow a process. See Appendix E for process and planning considerations.

31. Waco 2021 Dia De Los Muertos Festival



Source: Creative Waco.

List of appendices and annexes

Keen Independent provides additional documentation in the supporting appendices and annexes concerning the following topics.

Waco arts market. Keen Independent developed maps, inventoried arts venues in Waco, analyzed demographic information and projected future demand for the arts in Appendix A to illustrate the Waco arts market. Keen Independent projects arts demand based on current trends and population projections in Appendix B.

Qualitative research. Keen Independent provides virtual workshop findings and feedback from public meetings in Appendix C and D respectively.

Implementation checklist. In Appendix E, Keen Independent provides a checklist of items to complete if the City decides to move forward with constructing a new performing arts facility.

Space program. Theatre Consultants Collaborative created a space program for a new concert hall with a smaller community performance space. These plans can be found in Annex A.

Building cost estimate. Venue provides an order of magnitude program estimate for a new performing arts center in Annex B.

Potential capital funding options. Annex C provides potential capital funding options and an analysis of why each option could be viable to fund a potential new performing arts center.

Facility operating plans. VGPAFP developed two operating plans. One plan considers a model where the facility is owned and operated by a nonprofit. The other plan considers a model that is owned by a nonprofit and operated by a venue management company. These operating models can be found in Annex C.

32. View from Balcony inside the Waco Hippodrome Theatre



Source: Keen Independent Research.

33. Magnolia outdoor concert and gathering space



Source: Creative Waco.



CITY OF WACO TX
Waco Cultural Facilities Study
Appendices and Annexes

Prepared for:

City of Waco
P.O. Box 2570
Waco TX, 76702



Prepared by:

Alex Keen, COO and Senior Consultant
Keen Independent Research LLC
100 Fillmore Street, 5th Floor
Denver CO 80206
Mobile: 303-520-6339
Phone: 303-385-8515
alexkeen@keenindependent.com
www.keenindependent.com

In partnership with

Victor Gotesman, Owner
Victor Gotesman Performing Arts
Facilities Planning

Robert Long, Co-founder
Theatre Consultants Collaborative

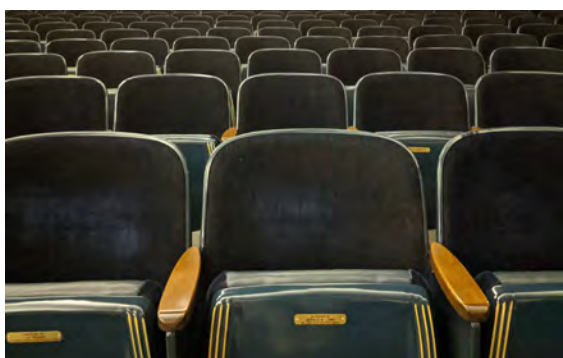
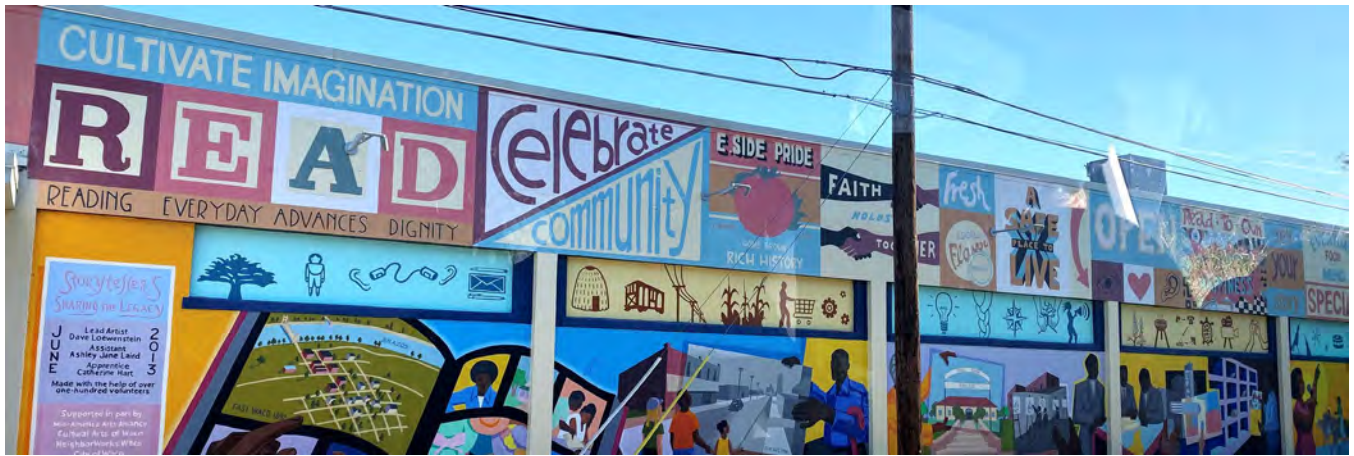
Steve Ryan, Principal
Venue Cost Consultants



APPENDICES

Keen Independent provides the following supporting appendices:

- Appendix A. Market Analysis;
- Appendix B. Demand Projections;
- Appendix C. Virtual Workshop Analysis;
- Appendix D. Community Workshop; and
- Appendix E. Implementation Checklist.



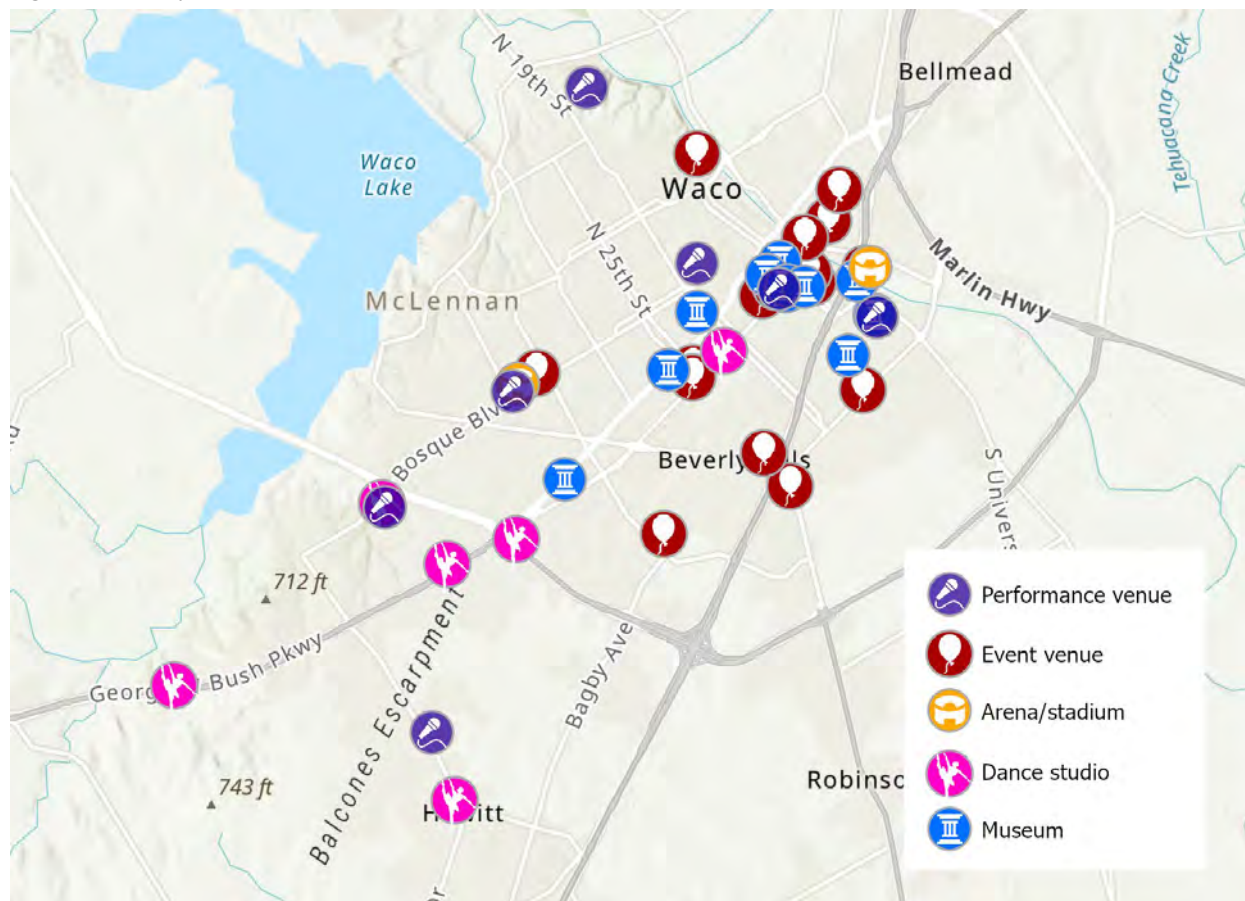
APPENDIX A. Market Analysis

Keen Independent analyzed the Waco arts market through an inventory of venues and museums throughout the city as well as an analysis of the demographics within a determined primary, secondary and tertiary market area.

Venue Inventory

Figure A-1 is a map of cultural assets to provide a visual reference of the saturation and spread of cultural assets in the Waco area.

Figure A-1. Map of Waco area cultural assets



Source: Esri, NASA, NGA USGS, Baylor University, Texas Parks & Wildlife, CONANP, HERE, Garmin, SafeGraph, METI/NASA, EPA, NPS, USDA, Keen Independent Research.

A list of venues found on Figure A-1 is provided in Figure A-2.

Figure A-2. List of Waco area cultural assets

Facility name	Capacity	Facility type
2nd and Clay (proposed)		Event space
25th Street Fire Station		Event space
Armstrong Browning Library and Museum		Museum/library
Art Center of Waco		Art gallery
Art Forum of Waco		Art gallery
Art Place (proposed)		Event space
Baylor Club		
Ballroom	400	Event space
Suite lounge	200	Event space
North lounge	80	Event space
President's suite	80	Event space
Baylor University		
Jones Theatre	356	Theater (proscenium)
Mabee Theatre	246	Theater (thrust)
Theatre 11	90	Theater (flexible)
Waco Hall	2,200	Theater (proscenium)
Brazos Event Center	286	Event space
Brazos Theatre	120	Theater (flexible)
Bridge Street Front Porch		Theater (outdoor)
Castle Heights Bijoux	200	Event space
Cen-Tex Hispanic Chamber of Commerce	133	Meeting space
City of Waco Parks & Recreation Department		
Bledsoe-Miller Clubhouse		Event space
Brazos Park		Park
Cameron Park Clubhouse		Event space
City of Waco Multi-Purpose Facility		Event space
Heritage Square		Park
Indian Spring Park		Park
Suspension Bridge		Bridge
Clifton House	75	Event space
Cultivate 7twelve		
Upstairs studio	60	Event space
Back patio	35	Event space
Main gallery	180	Art gallery/event space
Undercroft	25	Event space
Middle gallery	40	Art gallery/event space
Dr. Pepper Museum		Museum
Extraco Events Center		
Coliseum	9,000	Arena
BASE	3,476	Event space
Grand Masonic Lodge of Texas	3,740	Auditorium/museum

Source: Keen Independent Research.

Figure A-2. List of Waco area cultural assets (continued)

Facility name	Capacity	Facility type
Jenny Holley Dance Studio		Dance studios
Joy's School of Dance		Dance studios
Jubilee Theatre	190	Theater (proscenium)
Lee Lockwood Library & Museum		
Howard Ballroom	1,000	Event space
Main Atrium	400	Event space
Lower Atrium	400	Event space
Beard Auditorium	300	Theater (proscenium)
Library	200	Event space
Lion's Den	400	Event space
Martin Museum of Art		Art gallery
McCulloch House	60	Event space
McLane Stadium	45,140	Stadium
McLennan Community College Theatre		
Ball Performance Arts Center	350	Theater (proscenium)
Bosque River Stage	530	Theater (outdoor)
Conference center	328	Event space/meeting space
Melody Ranch	1,350	Club/event space
Midway Performing Arts Center	1,100	Theater (proscenium)
Phoenix Ballroom	650	Event space
Rare Performance Memorabilia		Art gallery
Red Men Hall	200	Event space
Richfield Performing Arts Center	500	Theater (proscenium)
Soler Parish Activity Center	500	Event space
Studio Gallery		Art gallery
Texas Life Annex	200	Event space
Texas Ranger Hall of Fame & Museum	600	Event space
The Hall at River Square Center	200	Event space
The Palladium	500	Event space
The Praetorian Anthem Studios	70	Event space
University High School		Theater
Waco Civic Theatre	184	Theater (flexible)
Waco Convention Center*		
Chisholm Hall	2,600	Event space
McLennan Hall	1,200	Event space
Brazos Ballroom	1,170	Event space
Texas North 113-115	306	Event space
Texas South 116-118	304	Event space
Ranger Rooms	250	Event space
Bosque Theater	191	Theater (proscenium)
Waco Hippodrome Theatre	950	Theater (flexible)

Note: *Only displaying rooms with a capacity of greater than 100.

Source: Keen Independent Research.

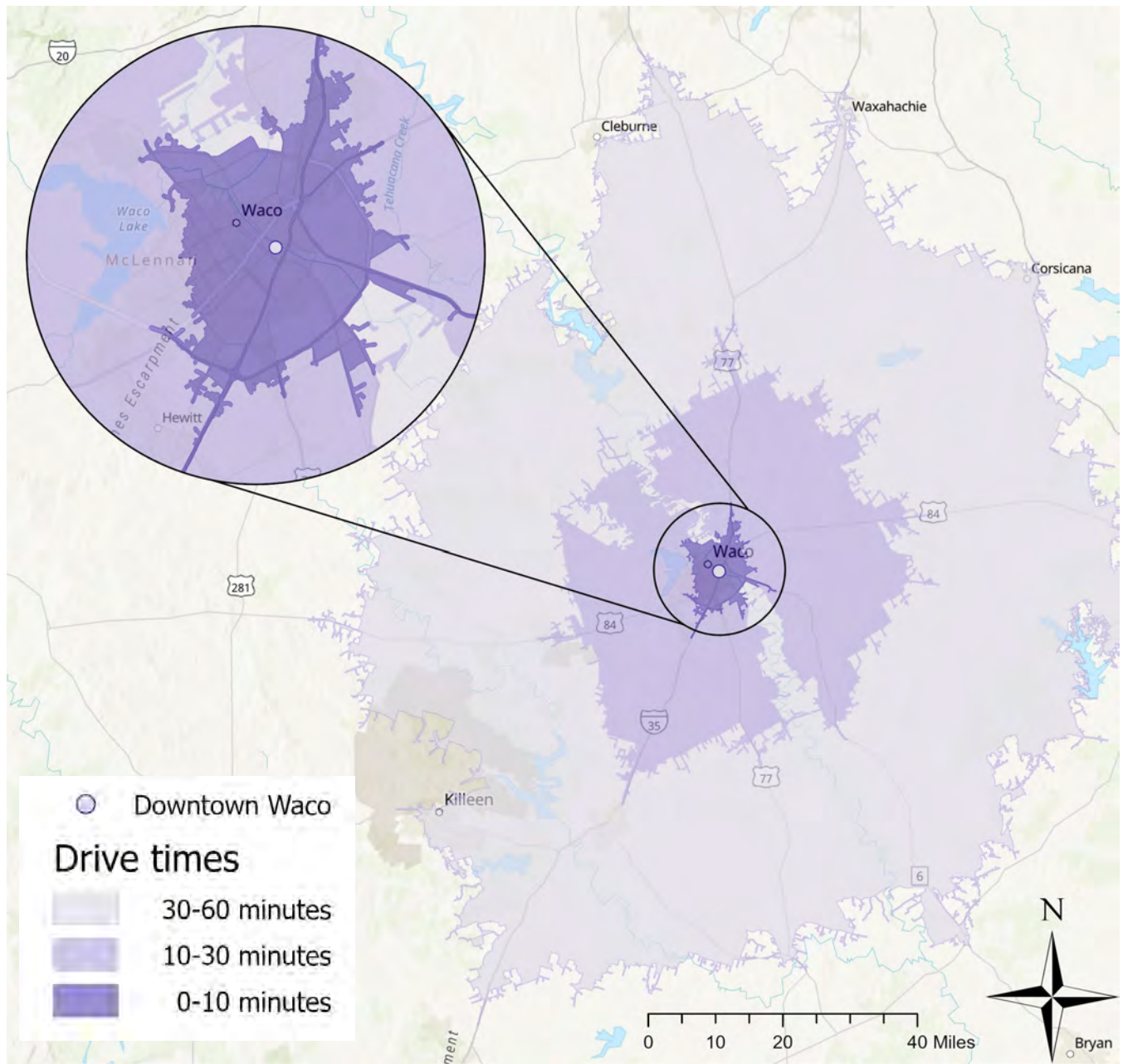
Market Areas

Keen Independent developed three market areas based on drive time to downtown Waco:

- Primary market area (within approximately 10 minutes of drive time);
- Secondary market area (within approximately 30 minutes of drive time); and
- Tertiary market area (within approximately 60 minutes of drive time).

Figure A-3 illustrates these market areas.

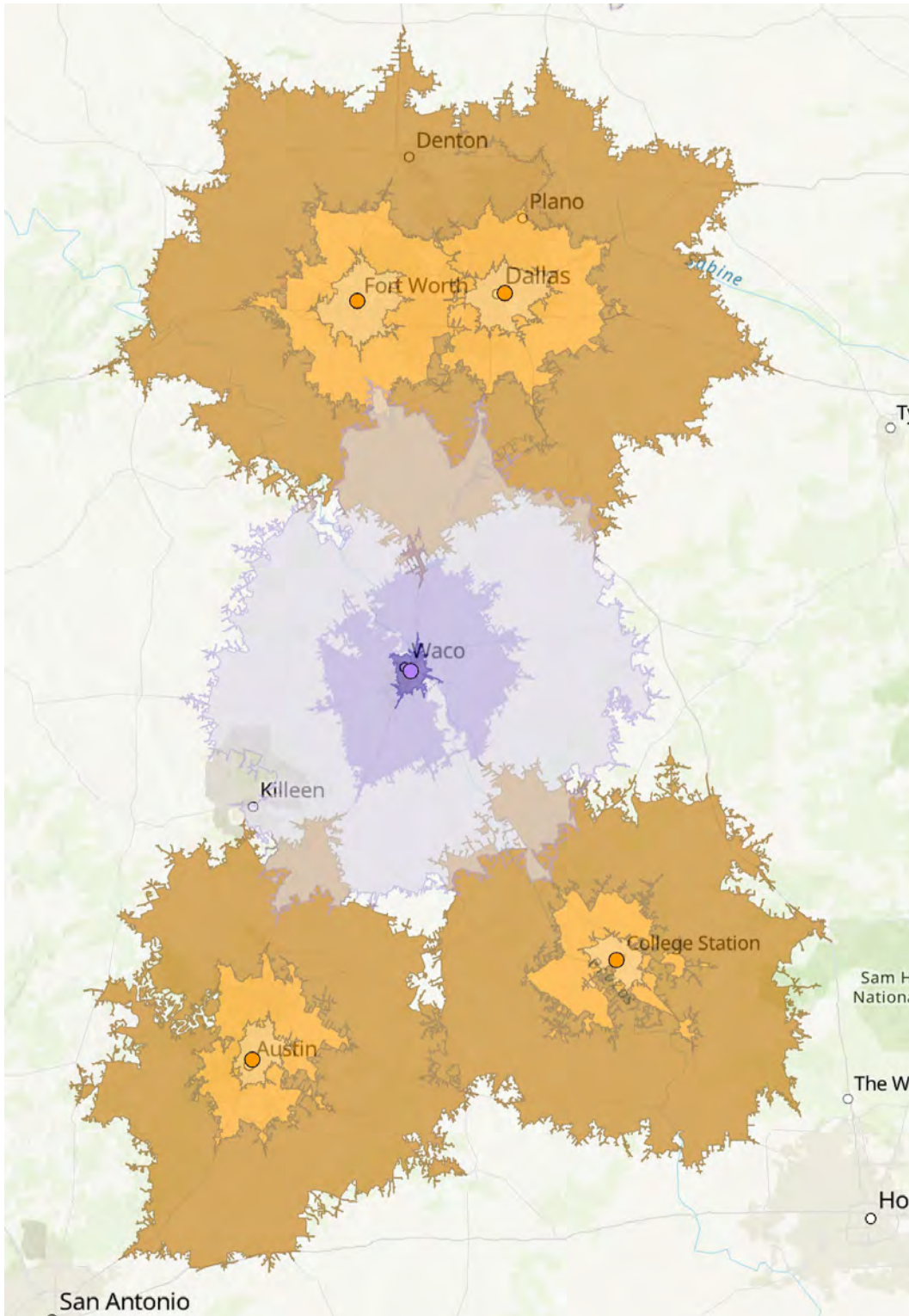
Figure A-3. Map of Waco market areas



Source: Esri, HERE, Garmin, FAO, NOAA, USGS, OpenStreetMap, GIS User Community, Keen Independent Research.

Figure A-4 illustrates how the Waco performing arts facility market area compares and overlaps with the performing arts facility market areas in the downtown areas of Dallas, Fort Worth, Austin and College Station. The market areas for all venues are illustrated as 60 minutes of drive time to the venue.

Figure A-4. Comparison of performing arts facility market areas in downtown Waco, Dallas, Fort Worth, Austin and College Station.



Source: Esri, Baylor, Texas Parks & Wildlife, Garmin, HERE, FAO, NOAA, USGS, Keen Independent Research.

Market area demographics. Keen Independent analyzed demographic information for the established market areas. Data are from the U.S. Census Bureau’s American Community Survey via Esri for 2021. The demographic analysis includes:

- Age;
- Education;
- Race and ethnicity;
- Annual household income; and
- Average annual household entertainment spending.

Age. Figure A-5 examines the age profile of the people living in the Waco market areas. The primary market has a young population with 44 percent of the population being age 24 and younger. The population grows older extending from the primary to the secondary and tertiary markets.

Figure A-5. Waco market areas population by age group, 2021

	Primary	Secondary	Tertiary
Total population	109,967	282,589	803,975
24 and younger	44 %	36 %	34 %
25-54	35	36	39
55 and older	20	28	28
Total	100 %	100 %	100 %

Source: American Community Survey via Esri, Keen Independent Research.

Education. As shown in Figure A-6, the primary market area has the highest proportion of individuals with a high school diploma or less. The population of the secondary and tertiary market areas are slightly more educated than the population of the primary market area.

Figure A-6. Waco market areas population age 25+ by educational attainment, 2021

	Primary	Secondary	Tertiary
Less than high school	23 %	14 %	13 %
High school graduate	30	28	29
Some college/Associate degree	30	33	35
Bachelors degree	10	16	15
Graduate degree	6	9	8
Total	100 %	100 %	100 %

Source: American Community Survey via Esri, Keen Independent Research.

Race and ethnicity. Figure A-7 presents the share of the Waco market areas by race and ethnicity. The primary market area is the most diverse market area with the highest proportion of African Americans (23%), Hispanic Americans (41%) and people of other races (21%).

Figure A-7. Waco market areas population by race and ethnicity, 2021

	Primary	Secondary	Tertiary
Total population	109,967	282,589	803,975
Race/ethnicity			
White	50 %	67 %	66 %
African American	23	15	16
Asian or Pacific Islander	2	2	2
Native American	1	1	1
Other	21	13	11
Two or more races	4	3	4
Total	100 %	100 %	100 %
Hispanic (of any race)	41 %	28 %	26 %

Source: American Community Survey via Esri, Keen Independent Research.

Annual household income. Figure A-8 examines household income for households in Waco market areas. The primary market area has the lowest annual household incomes of the market areas.

Figure A-8. Waco market areas households by annual household income, 2021

	Primary	Secondary	Tertiary
Number of households	38,894	104,830	297,033
Annual household income			
\$24,999 or less	39 %	25 %	23 %
\$25,000 to \$49,999	29	25	24
\$50,000 to \$74,999	14	17	19
\$75,000 to \$99,999	8	11	12
\$100,000 to \$149,999	7	13	13
\$150,000+	3	9	9
Total	100 %	100 %	100 %

Source: American Community Survey via Esri, Keen Independent Research.

Entertainment spending. Figure A-9 shows that average annual household entertainment spending in the secondary and tertiary markets are notably higher than the primary market.

Figure A-9. Average annual household entertainment spending by market area, 2021

	Primary	Secondary	Tertiary
Entertainment/Recreation	\$ 1,672	\$ 3,122	\$ 2,673
Entertainment/Recreation fees & admissions	349	665	543
Tickets to theatre/operas/concerts	39	72	58
Tickets to movies	31	50	43
Tickets to parks or museums	17	31	27

Source: U.S. Bureau of Labor Statistics Consumer Expenditure Survey via Esri, Keen Independent Research.

Figure A-10 illustrates the spending potential index (SPI) for each market area by category. The SPI compares the average amount spent locally for a product to the average amount spent nationally. An index of 100 reflects the average. An SPI of 70, for example, indicates that average spending by local consumers is 30 percent below the national average.

The spending potential for the primary market area is notably lower than the secondary and tertiary market areas.

Figure A-10. Spending potential index by category and market area, 2021

	Primary	Secondary	Tertiary
Entertainment/Recreation	52	97	83
Entertainment/Recreation fees & admissions	47	90	73
Tickets to theatre/operas/concerts	48	89	72
Tickets to movies	56	89	78
Tickets to parks or museums	50	92	80

Source: U.S. Bureau of Labor Statistics Consumer Expenditure Survey via Esri, Keen Independent Research.

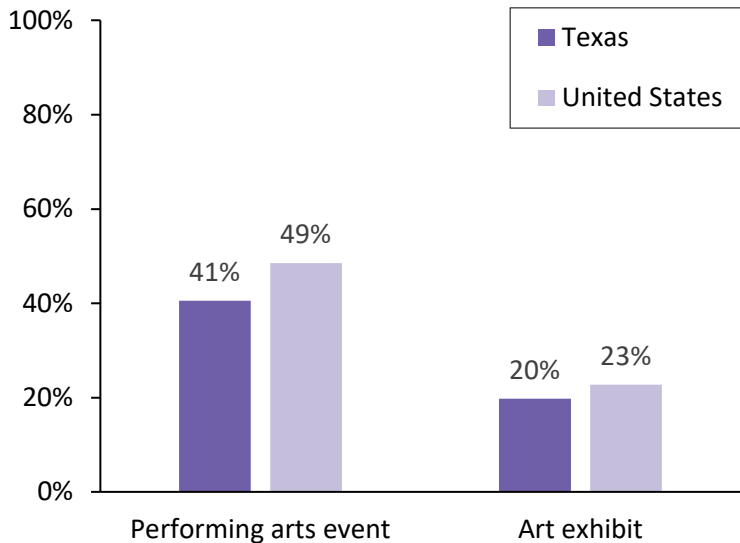
APPENDIX B. Demand Projections

In this appendix, Keen Independent assesses arts demand before the COVID-19 pandemic, analyzes arts demand as we emerge from the COVID-19 pandemic and projects demand for various types of art. Findings are based on current trends, the National Endowment for the Arts 2017 Survey of Public Participation in the Arts and population projections provided by the Texas Demographic Center.

Demand Before COVID-19

Figure B-1 illustrates how adults participated in the arts in Texas and nationally according to the 2017 Survey of Public Participation in the Arts. According to these data, per-capita attendance to arts events is slightly less in Texas than the national average.

Figure B-1. Estimated percent of adults in Texas and the United States who participate in arts activities, 2017



Source: 2017 NEA Survey of Public Participation in the Arts, Keen Independent Research.

Attendance by age and education. In Figure B-2, Keen Independent provides the national average annual number of events attended per-capita by genre, age and education. Although older individuals and highly educated individuals tend to have higher rates of arts participation, some genres have high rates of attendance for other groups.

Figure B-2. National average annual number of events attended per-capita by genre, age and education, 2017

	< 9th grade	Some high school	High school	Some college	College graduate	Advanced degree
Jazz music						
0-17	0.05	0.05	0.12			
18-24	0.00	0.02	0.13	0.36	0.46	1.00
25-34	0.00	0.03	0.13	0.13	0.37	0.56
35-44	0.00	0.05	0.11	0.17	0.35	0.51
45-54	0.13	0.10	0.09	0.10	0.39	0.51
55-64	0.04	0.13	0.14	0.30	0.34	0.73
65-74	0.11	0.00	0.13	0.15	0.32	0.53
75+	0.06	0.01	0.12	0.26	0.32	0.48
Latin, Spanish or salsa music						
0-17	0.22	0.16	0.07			
18-24	0.00	0.11	0.13	0.14	0.21	0.00
25-34	0.24	0.18	0.11	0.09	0.15	0.29
35-44	0.53	0.39	0.10	0.15	0.13	0.17
45-54	0.35	0.18	0.06	0.05	0.11	0.16
55-64	0.25	0.15	0.06	0.08	0.07	0.15
65-74	0.17	0.01	0.04	0.06	0.14	0.11
75+	0.00	0.06	0.03	0.11	0.07	0.05
Classical music						
0-17	0.20	0.20	0.20			
18-24	0.00	0.00	0.10	0.16	0.37	0.50
25-34	0.00	0.00	0.03	0.10	0.24	0.29
35-44	0.00	0.08	0.03	0.07	0.21	0.43
45-54	0.00	0.03	0.08	0.12	0.30	0.79
55-64	0.00	0.05	0.06	0.11	0.29	0.70
65-74	0.00	0.00	0.07	0.15	0.50	1.25
75+	0.00	0.00	0.12	0.37	0.63	1.30
Opera						
0-17	0.01	0.01	0.01			
18-24	0.00	0.00	0.00	0.06	0.03	0.00
25-34	0.00	0.00	0.01	0.02	0.03	0.05
35-44	0.00	0.00	0.01	0.03	0.04	0.08
45-54	0.00	0.00	0.01	0.01	0.04	0.11
55-64	0.00	0.00	0.01	0.01	0.05	0.10
65-74	0.00	0.00	0.01	0.02	0.09	0.20
75+	0.00	0.00	0.00	0.01	0.21	0.27
Musical plays						
0-17	0.20	0.20	0.20			
18-24	0.00	0.21	0.28	0.32	0.60	0.75
25-34	0.00	0.00	0.14	0.27	0.42	0.51
35-44	0.00	0.05	0.13	0.27	0.49	0.84
45-54	0.11	0.04	0.09	0.25	0.49	0.98
55-64	0.00	0.03	0.16	0.39	0.50	0.73
65-74	0.02	0.01	0.21	0.42	0.65	1.05
75+	0.09	0.03	0.22	0.34	0.66	0.72

Source: 2017 NEA Survey of Public Participation in the Arts, Keen Independent Research.

Figure B-2. National average annual number of events attended per-capita by genre, age and education, 2017 (continued)

	< 9th grade	Some high school	High school	Some college	College graduate	Advanced degree
Non-musical plays						
0-17	0.05	0.05	0.05			
18-24	0.00	0.13	0.14	0.20	0.37	0.25
25-34	0.00	0.00	0.05	0.10	0.25	0.29
35-44	0.03	0.03	0.05	0.22	0.29	0.52
45-54	0.21	0.09	0.04	0.09	0.28	0.66
55-64	0.00	0.01	0.08	0.21	0.33	0.57
65-74	0.04	0.00	0.13	0.23	0.43	0.85
75+	0.04	0.03	0.10	0.12	0.43	1.01
Ballet						
0-17	0.07	0.07	0.07			
18-24	0.00	0.02	0.00	0.04	0.01	0.00
25-34	0.00	0.00	0.05	0.03	0.08	0.12
35-44	0.00	0.01	0.01	0.04	0.10	0.15
45-54	0.00	0.00	0.01	0.04	0.09	0.16
55-64	0.00	0.00	0.03	0.05	0.03	0.10
65-74	0.00	0.00	0.01	0.02	0.07	0.20
75+	0.00	0.01	0.01	0.04	0.16	0.05
Dance performances other than ballet						
0-17	0.07	0.07	0.09			
18-24	0.00	0.21	0.14	0.20	0.21	0.00
25-34	0.00	0.03	0.07	0.09	0.14	0.14
35-44	0.00	0.05	0.07	0.22	0.17	0.24
45-54	0.30	0.11	0.12	0.08	0.24	0.27
55-64	0.18	0.02	0.07	0.11	0.13	0.29
65-74	0.00	0.00	0.06	0.12	0.15	0.23
75+	0.00	0.04	0.06	0.15	0.24	0.13
Movies						
0-17	3.90	3.90	3.90			
18-24	0.00	6.94	8.91	10.33	9.97	6.20
25-34	4.50	5.68	5.70	7.01	8.32	7.65
35-44	4.57	5.00	4.55	6.13	7.05	9.03
45-54	2.83	4.45	3.83	5.06	7.51	7.26
55-64	1.00	0.82	2.78	3.38	5.36	5.65
65-74	0.27	2.21	3.70	6.03	5.28	7.47
75+	1.45	1.08	2.18	3.85	3.81	6.77
Art museums and galleries						
0-17	0.71	0.71	0.71			
18-24	0.00	0.40	0.21	0.71	1.52	8.00
25-34	0.00	0.05	0.28	0.49	1.01	2.18
35-44	0.09	0.19	0.15	0.52	1.27	2.24
45-54	0.11	0.14	0.18	0.36	1.21	1.72
55-64	0.00	0.08	0.29	0.55	0.84	2.08
65-74	0.09	0.00	0.13	0.73	1.22	2.41
75+	0.09	0.00	0.14	0.38	0.75	1.74

Source: 2017 NEA Survey of Public Participation in the Arts, Keen Independent Research.

Current Trends

With vaccines now widely available to the public, theaters throughout the country are starting to program full seasons of events. Although event attendance has not yet reached pre-pandemic levels, arts participation is increasing.

Dr. Anthony Fauci, director of National Institute of Allergy and Infectious Diseases (NIAID) recently stated, “Hopefully, by the time we start entering 2022, we really will have a degree of normality that will approximate the kind of normality we’ve been used to.”¹

In a nationwide survey of theatergoers conducted by AudienceView in June 2021, “74.9% of respondents indicated that they will feel comfortable attending indoor theater performances by fall of 2021.”² About 34 percent of respondents reported that they were comfortable to attend events at the time of the survey.

Demand Projections

Arts attendance is projected to grow as the Waco Metro Area population grows. Using data from the National Endowment for the Arts 2017 Survey of Public Participation in the Arts, Keen Independent developed projections focusing on the Waco Metro Area population.

Keen Independent projects that unconstrained demand for Waco Metro Area arts events will increase by about 12 and 19 percent between 2020 and 2050. The demand is “unconstrained” as it does not include any reductions or limitations due to venue size. Figure B-3 summarizes projected percentage increase in unconstrained demand.

Figure B-3. Projected change in demand for the arts in the Waco Metro Area by genre

	2020	2030	2040	2050
Jazz music	0 %	5 %	10 %	13 %
Latin, Spanish or salsa music	0	5	9	12
Classical music	0	9	14	17
Opera	0	10	15	19
Musical plays	0	6	11	14
Non-music plays	0	7	11	15
Ballet	0	7	12	16
Dance performances other than ballet	0	6	11	14
Movies	0	5	10	13
Art museums and galleries	0	5	9	13

Source: Keen Independent Research, 2017 NEA Survey of Public Participation in the Arts, Texas Demographic Center.

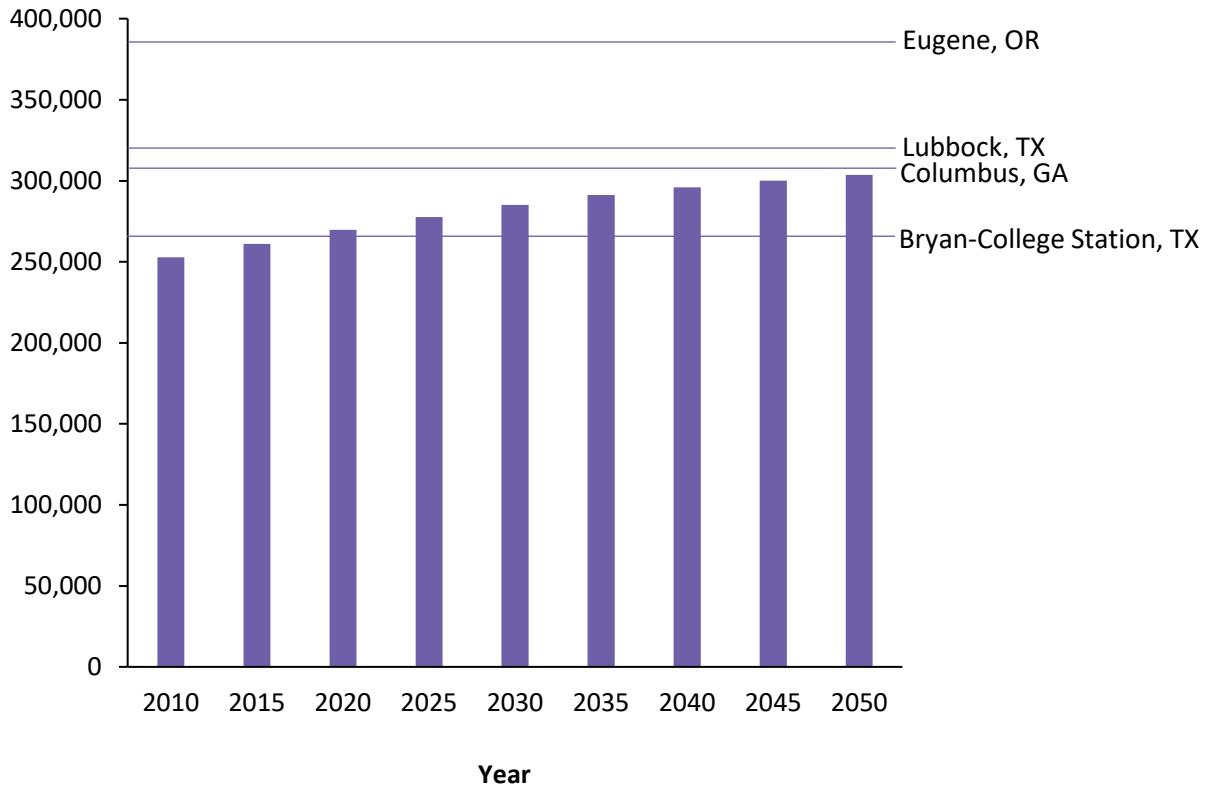
¹ Flaherty, A. (2021). When will life get back to normal? Fauci now says 2022. *ABC News*. Retrieved from <https://abcnews.go.com/Politics/biden-faucis-shifting-timeline-pandemic-explained/story?id=75951232>

² AudienceView and Theatermania. (2021) *The Patron’s Perspective: A Guide to Safely & Successfully Reopening Theaters*.

Factors influencing demand. Waco Metro Area demand for performing arts will likely continue to grow. According to the Texas Demographic Center, the region’s population is increasing, and the population distribution indicates an aging population. Both factors tend to increase ticket demand.

Total population. The State forecasts Waco Metro Area population to grow from 270,000 in 2020 to 304,000 by 2050. Figure B-4 illustrates this growth and compares it to the 2018 population estimates of benchmark cities.

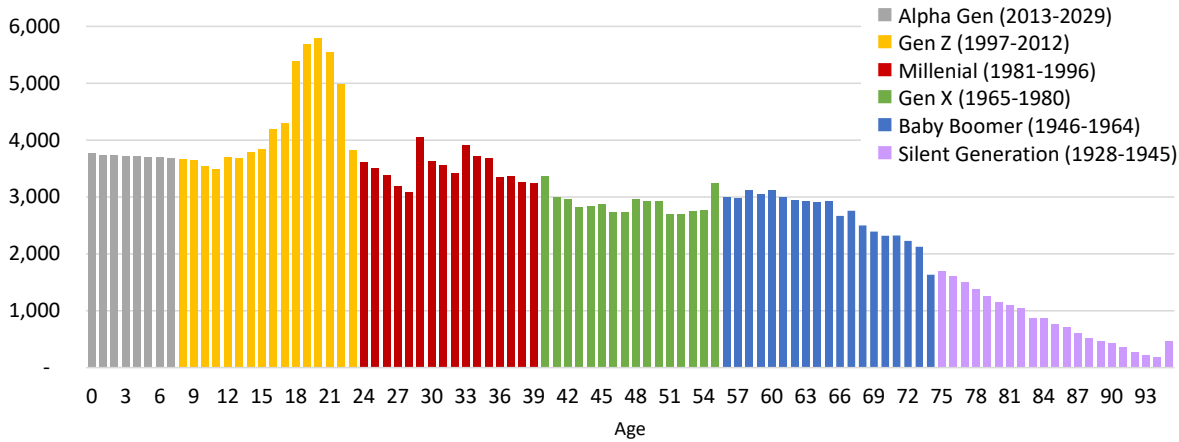
Figure B-4. Waco Metro Area population projections compared with the 2018 population of benchmark cities



Source: Texas Demographic Center, U.S. Census Bureau 2018 American Community Survey, Keen Independent Research.

Population by age. Another factor influencing demand for performing arts is the number of people by age. Figure B-5 shows the age distribution for the Waco Metro Area for 2020. The graph shows the population grouped according to widely recognized generations, beginning with the Silent Generation (born between 1928 and 1945) to Gen Z (1997 to 2012) and the Alpha Generation (born in 2013 and later years). Figure B-5 demonstrates that many local residents are age 18 to 22.

Figure B-5. Waco Metro Area population by age, 2020

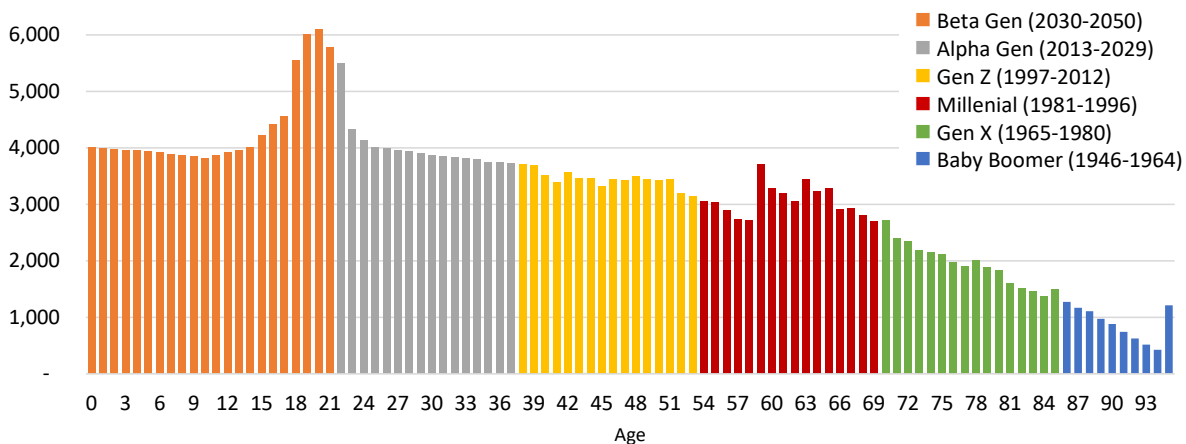


Source: Texas Demographic Center, Keen Independent Research.

Figure B-6 presents the projected age distribution for the Waco Metro Area in 2050 based on the Texas Demographic Center forecast for the region. Note that Keen Independent shows a 20-year age cohort of people who will be born between 2030 and 2050 as “Beta Gen” (name invented to follow the “Alpha Gen” generation now being born).

The Alpha and Beta generations are projected to represent the largest portion of the population in 2050, individuals age 18 to 22.

Figure B-6. Waco Metro Area population by age, 2050



Source: Texas Demographic Center, Keen Independent Research.

APPENDIX C. Virtual Workshop Analysis

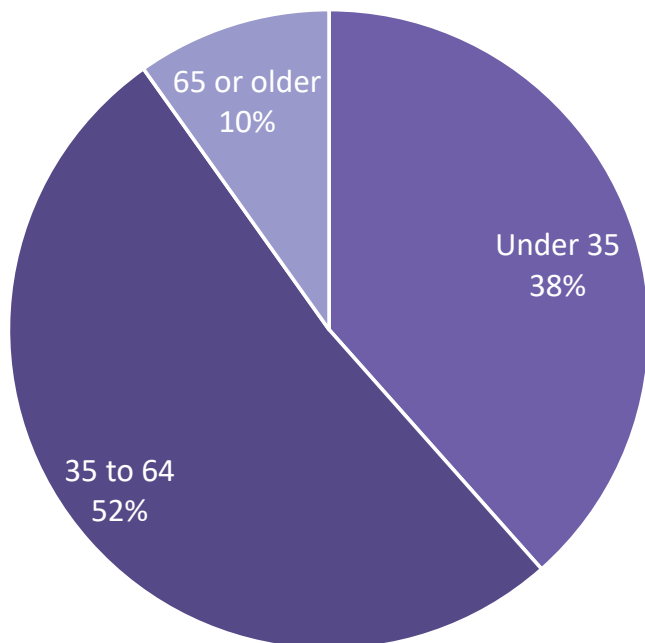
From January 6, 2020 to February 2, 2020, Keen Independent conducted a virtual workshop for the public to participate in at their convenience. Over 200 people participated in this workshop. This appendix contains the following information from this virtual workshop:

- Demographics of respondents;
- Attendance rates;
- Favorite touring artists;
- Out-of-town event attendance;
- Perception of Waco venue inventory;
- Descriptions of an ideal new performance/event venue;
- Event preferences in a new arts center; and
- Other input provided to inform the study.

Demographics of Respondents

The virtual workshop asked for the age, race/ethnicity and gender of each participant. Figure C-1 illustrates participants' age distribution.

Figure C-1. Virtual workshop participant age distribution



Source: Keen Independent Research.

Figure C-2 shows the race/ethnicity and gender distribution among virtual workshop participants. Note that percentages do not add up to 100 because respondents could choose more than one race/ethnicity.

Figure C-2. Virtual workshop participant race/ethnicity and gender distribution

Race/ethnicity	
White	83.8 %
Hispanic American	9.0
African American	5.1
Asian American	1.7
Native American	1.3
Other	1.3
Preferred not to say	4.7
Gender	
Female	58.1 %
Male	39.7
Preferred to self describe	2.1

Source: Keen Independent Research.

Attendance Rates

Keen Independent asked virtual workshop participants how many times per year they attend one of each type of event shown in Figure C-3. Figure C-3 shows each participant’s self-reported attendance rates.

Figure C-3. Virtual workshop participant rates of attendance to arts events by type

	Less than once per year	1 to 2 times per year	3 to 5 times per year	More than 5 times per year
Performing arts (indoors)	6 %	16 %	26 %	52 %
Performing arts (outdoors)	21	41	18	20
Visual arts (i.e., museums, galleries)	8	33	32	28
Craft fairs or visual arts festivals	16	46	22	16
Movies/films	3	13	25	58

Source: Keen Independent Research.

Keen Independent asked participants what other events they enjoy attending.

- Over 10 participants mentioned athletic events.
- The following events were identified by six to eight respondents: conventions, food/drink events, fundraisers, workshops and conferences.
- Several respondents mentioned comic conventions, renaissance fairs, religious events, literary events, youth events and drag shows.

Favorite Touring Artists

Virtual workshop participants identified their favorite touring artists. Keen Independent grouped each participant's response by type of art in Figure C-4.

Note that respondents were not limited to the number of artists they could mention. Respondents could mention multiple artists and genres. The table in Figure C-4 shows the percent of total respondents who mentioned an artist in each genre.

Figure C-4. Virtual workshop participants' favorite touring artists genres

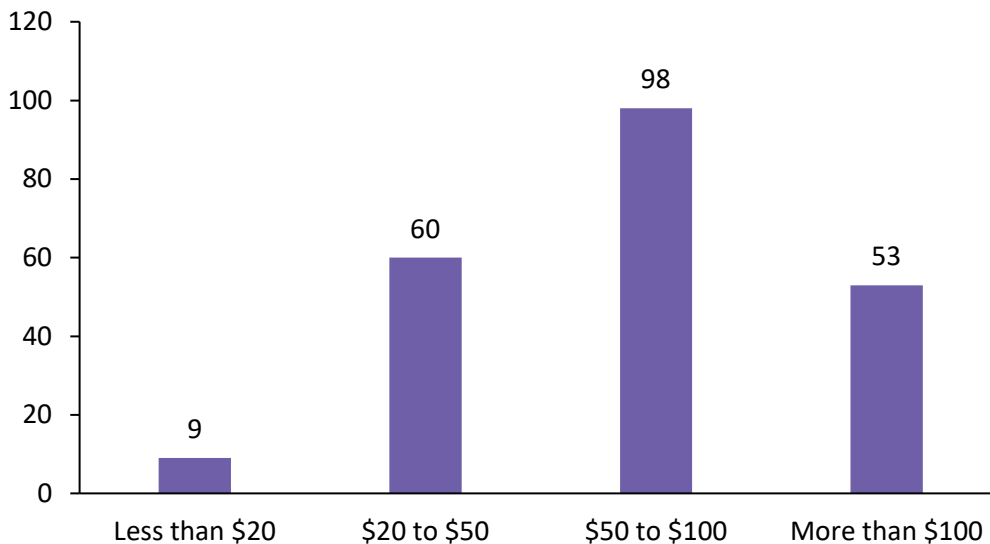


Non-classical music	60.9 %
Musicals	12.5
Comedy	11.5
Classical music	8.9
Dance	4.2
Plays	3.1
Storytelling/poetry	1.0
Other	4.2

Source: Keen Independent Research.

Keen Independent asked virtual workshop participants how much they would be willing to spend to see their favorite touring artist. Figure C-5 illustrates how participants responded.

Figure C-5. Amount virtual workshop participants are willing to spend to see their favorite touring artist



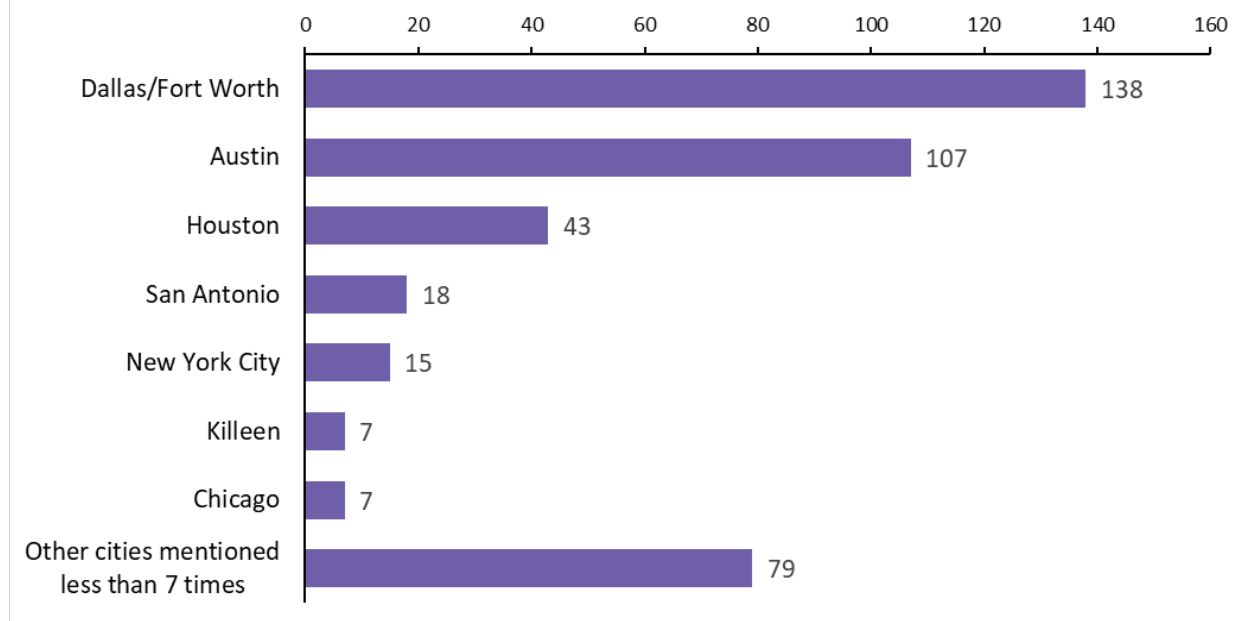
Source: Keen Independent Research.

Out-of-Town Event Attendance

Respondents were asked where they travel to see shows outside of Waco. Figure C-6 displays the location where participants have attended out-of-town shows by city. Only five percent of individuals who responded to this question indicated that they do not travel outside of Waco for events.

The most common venues that individuals identified were the Bass Halls in Austin and Fort Worth.

Figure C-6. Location where virtual workshop participants have attended out-of-town shows by city

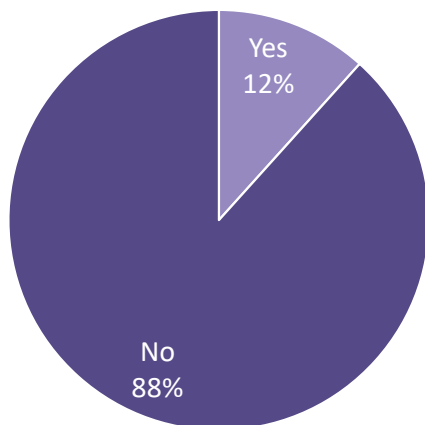


Source: Keen Independent Research.

Perception of Waco Venue Inventory

Figure C-7 illustrates how participants responded when asked if there is currently enough performance/event space in Waco.

Figure C-7. Virtual workshop participant responses when asked if there is enough performance/event space in Waco



Source: Keen Independent Research.

Enough performance/event space. Twenty-six virtual workshop respondents selected “yes” when asked if they believe there is enough performance/event space in Waco. Some respondents indicated that current spaces could be utilized more often. [e.g., #VW-012, #VW-069] Some examples include:

- One virtual workshop participant remarked, “There are plenty of entertainment venues around Waco.” [#VW-115]
- Another participant stated, “We have several underutilized facilities ...” [#VW-213]
- Another virtual workshop participant indicated collaborations could be a solution, “[Waco venues] could be better utilized if people would collaborate.” [#VW-190]

Some respondents indicated that current performance spaces need updating before more are built. Respondents used words such as, “flawed,” “restricted,” “uncomfortable,” “dated,” and “limitations.” [e.g., #VW-001, #VW-004, #VW-026] Other statements regarding outdated venues in Waco include:

- One virtual workshop respondent reported, “none [are] truly ideal.” [#VW-004]
- Another respondent reported, “Sound quality is bad ...” and “Limits on alcohol/food/beverages limit opportunities ...” [#VW-004]

A few respondents indicated that Waco has enough performance spaces, but the available spaces are run poorly and restrict community access due to private ownership.

- One individual reported, “... missions of venue owners don’t align.” [#VW-001]
- Another individual reported, “An issue with all of these [venues] is that they are owned by [a] 3rd party limiting access.” [#VW-026]

Other input provided by individuals who believe there is enough performance space in Waco include:

- One individual remarked, “I’m not convinced that Waco can support an additional performing arts venue.” [#VW-055]
- Another individual stated, “The city needs to help promote, utilize, and market [existing Waco venues].” [#VW-115]
- One participant reported, “[There is] enough space, but not the kind of performances I would pay money to see.” [#VW-132]
- Another participant remarked, “... not enough events people actually want to be a part of.” [#VW-203]

Several respondents selected “yes,” when asked if they believe there is enough performance/event space in Waco, but then provided an explanation that indicates support of a new performing arts center in Waco. Examples include:

- One virtual workshop respondent reported, “Lots of downtown buildings are near empty. Lots of empty parking lots for building also.” [#VW-172]
- Another virtual workshop respondent commented, “With the rise of businesses in Waco, I don’t see why we can’t afford a performing arts center.” [#VW-198]
- A participant reported, “I feel like in Downtown Waco there are many buildings that are not really being used ... Those could maybe be replaced with a new cool venue.” [#VW-222]
- Another participant remarked, “There are not enough places for artists to display/sell their works.” [#VW-223]

Limited options. Of the virtual workshop respondents who answered “no,” when asked if they believe there is enough performance/event space in Waco, when asked for an explanation for their answer, many respondents indicated that Waco had limited performance/event venue options. [e.g., #VW-127, #VW-111, #VW-079] One respondent reported, “I see firsthand how difficult it is to book a space for recitals or personal concerts.” [#VW-089]

Some respondents indicated that Waco is lacking a venue with good acoustics. [e.g., #VW-046, #VW-091] Some comments include:

- One virtual workshop participant remarked, “Waco is missing a theater with good acoustics.” [#VW-073]
- Another virtual workshop participant reported, “There is no theater with proper acoustics for opera.” [#VW-232]
- A participant commented, “an acoustically engineered performance space is needed for better shows.” [#VW-088]

Several respondents reported that current venue options are restrictive. Some examples include:

- One respondent remarked, “It would be ideal if there were a concert hall that was not so landlocked in the middle of [a] campus.” [#VW-171]
- Another virtual workshop respondent commented, “We should not be reliant on a private Christian college to be the gatekeeper ...” [#VW-184]
- One individual reported, “Most of the performing arts spaces are controlled by the college campuses.” [#VW-195]
- Another individual remarked, “There is no large visual art gallery space or visual art museum... [current venues are] too conservative and restrictive.” [#VW-151]
- A virtual workshop participant reported that Waco event spaces are currently “used by the same people or have minimal reach” [#VW-225]

Some respondents indicated that the current spaces in Waco are outdated. [e.g., VW-049, VW-117, VW-166]

- One individual reported, “Many spaces are too small or old.” [#VW-219]
- Another participant commended, “None of the venues currently in Waco have the best fly space, pit size, and acoustic for big theatrical shows like Broadway tours and opera performances.” [#VW-229]

Large show needs. Nearly 60 respondents indicated that current venue options are too small or that Waco does not have a large enough space to support what they would like to see. Some respondents reported that current venues are too small or have a capacity that is too limited. [#VW-042, #VW-207, #VW-120] Some comments include:

- One virtual workshop participant indicated that there is “no room for really big musicals with professional casts.” [e.g., #VW-027]
- Another participant reported, “When my daughter did children’s theater, they often had to choose inconvenient times just to book a good stage with over 100 seats.” [#VW-070]
- One individual remarked, “Waco does not have any type of venue with over 1,000 seats” [#VW-179]
- A participant stated, “[Waco] needs a venue for larger shows like Dallas and Austin have.” [#VW-041] and another suggested, “bring in more art that is typically seen in larger cities” [#VW-180]
- “We need more spaces that are compatible for putting on larger scale musicals and operas.” [#VW-077]

Some virtual workshop respondents indicated that they want higher quality events in Waco. [e.g., #VW-021, #VW-032, #VW-037, #VW-057] Some comments include:

- One virtual workshop participant reported, “Nobody performs in Waco except second-rate country singers.” [#VW-025]
- Another participant commented, “If we want to see bigger musicians, musicals or plays come through, we need the right space for them.” [#VW-029]
- Another individual reported, “Concerts mean weekends out of town for us. I would love to see decent artists come to Waco.” [#VW-227]

Various virtual workshop participants indicated that Waco needs a venue that can accommodate touring productions. [e.g., #VW-086, #VW-103, #VW-123, #VW-160, #VW-175] For example:

- Several virtual workshop respondents indicated that Waco does not have a venue that is appropriate for touring professional productions. [e.g., #VW-092, #VW-071]
- A virtual workshop participant commented, “There is not a good venue for traveling theater shows that is not located on a college campus” [#VW-128]

- One individual stated, “There is not an appropriately sized or located venue for touring productions.” [#VW-194]
- A workshop respondent commented, “[we won’t] get top names without a venue that will hold a large audience.” [#VW-202]
- Another workshop respondent reported, “There’s nowhere for big tours to stop through between Dallas and Austin” [#VW-205]

Community needs. Some virtual workshop participants identified a need for more support for the Waco arts community.

- Regarding performance spaces, one workshop participant stated, “There is not enough available to the community.” [#VW-003]
- Another participant stated, “Our local groups are outgrowing their current spaces.” [#VW-112]
- Another individual commented, “Community theatre here is quite lacking.” [#VW-027]
- One workshop participant remarked, “...there is not enough public performance space.” [#VW-126]

More diversity. Participants indicated a need for more diversity in Waco arts offerings. [e.g., #VW-122, #VW-149, #VW-020] Other comments include:

- One workshop participant reported, “There are very few Black American cultural event performers who are given the opportunity to perform!” [#VW-144]
- Another participant stated, “It’s hard to find a place to allow others to be themselves and perform.” [#VW-116]
- One workshop participant remarked, “We need more venues for performers of all walks of life.” [#VW-220]
- An individual stated, “We need more avenues for performance.” [#VW-124]
- Another participant remarked, “I have wondered for many years why Waco hasn’t had more venues to accommodate a wider variety of shows.” [#VW-162]

Not enough support for local talent. Some virtual workshop participants reported that Waco needs to support more local artists. For example:

- A virtual workshop participant noted, “Open mic nights always seem to have more performers than time slots.” [#VW-106]
- Another participant stated, “Local live music needs better representation” [#VW-234]
- One individual indicated that local bands are limited to performing in bars. [#VW-178]

- Another individual indicated that Waco does not have enough collaborative event spaces for local talent. [#VW-200]
- An individual noted that Waco has “a lack of small artist spaces.” [#VW-194]

Not affordable. Some virtual workshop participants indicated that Waco does not have enough affordable performance spaces.

- Regarding rentals, one participant reported, “We find ourselves paying more than we earn just to hold events.” [#VW-114]
- Regarding venue rentals, one participant remarked, “Too many venues charge too much money.” [#VW-068]
- Another participant commented, “Most local musical venues are either really expensive or bars.” [#VW-208]
- One participant indicated that existing venues are too expensive for smaller, experimental acts and commented, “There are performing arts organizations and individual artists who are limited in where they can perform.” [#VW-191]
- A virtual workshop participant indicated that a new performance space needs to be affordable for low-income individuals. [#VW-066]

Other community needs. Other comments about community needs regarding performing arts spaces in Waco include:

- One virtual workshop participant reported, “Many public schools don’t have adequate facilities.” [#VW-125]
- Another virtual workshop participant indicated that Waco Hall not ideal for individuals who are not Baylor students and stated, “something more publicly-accessible would have the potential to draw more out-of-town groups.” [#VW-217]
- One participant remarked, “If we had more performance spaces, specifically ones for the city, not for specific schools or organizations, we would be able to expand the cultural scene in Waco.” [#VW-233]
- An individual stated, “I would love to see a facility where community groups could perform and arts organizations could host events.” [#VW-065]

Other. Other comments from individuals who believe that Waco does not currently have performance/event spaces include:

- Several virtual workshop participants indicated a desire for higher quality events in Waco. [e.g., #VW-052, #VW-203, #VW-013]
- One workshop participant stated, “I would LOVE to see an emphasis on the arts. This will make people want to visit and live in Waco. Arts fuel well-being and make a place interesting and fun.” [#VW-168]

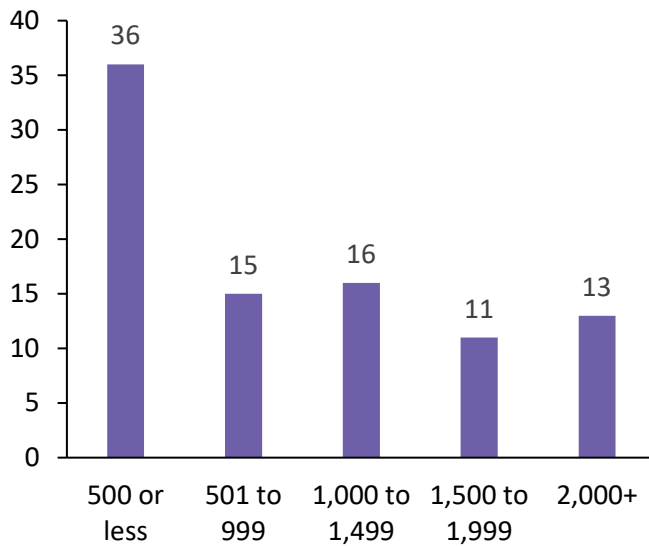
- Another individual remarked, “With the growth of Waco becomes the growth of the arts.” [#VW-157]
- One virtual workshop participant remarked, “We used to have more variety in music.” [#VW-008]
- A participant indicated that Waco has “tremendous untapped potential.” [#VW-023]
- One virtual workshop participant remarked, “Not enough [venues] featur[e] unbiased board members and kind directors. I’ve worked with too many that are manipulative, deceptive, and cruel to the volunteer actors and crew. It takes the joy away.” [#VW-159]
- Another participant stated that the city needs to “help promote, utilize and market” existing spaces. [#VW-115]
- One individual stated, “Finding out about shows is difficult.” [#VW-040]
- Regarding touring shows, one individual remarked, “Nothing comes here.” [#VW-081]
- One participant indicated a desire for contemporary performers. [#VW-193]
- One individual indicated a desire for a higher quality performance space than what is currently available in Waco. [#VW-078]
- Some workshop participants indicated that there is always opportunity for more performance spaces. [e.g., #VW-096, #VW-100]
- An individual stated, “There is not an appropriately sized or located venue for touring productions or groups [and] no appropriately sized or located outdoor venue.” [#VW-194]
- Another individual remarked, “I am hopeful that this [potential new] space could provide another venue option at a reasonable cost.” [#VW-211]

Descriptions of an Ideal New Performance/Event Venue

Keen Independent asked virtual workshop participants who are interested in a new venue to describe their ideal performance space. Participants specified seat counts, configurations of the venue, performance technology, amenities and other venue elements.

Seat counts. Virtual workshop participants identified a variety of preferred capacities for a potential new performance/event space in Waco. Figure C-8 illustrates how many times a specific seat count for a potential new venue was mentioned by virtual workshop participants.

Figure C-8. Number of times a specific seat count was identified by virtual workshop participants



Note: Not all participants provided seat counts in their ideal venue descriptions.

Source: Keen Independent Research.

Seating specifications. Some participants included details about their seating preferences.

- Regarding seating specifications, one virtual workshop respondent remarked, “Movie theater style seating with enough rise in each row so that your experience isn’t ruined if a tall person sits in front of you.” [#VW-046]
- Another respondent indicated that they prefer a “clear line of sight [to the stage] from all seats.” [#VW-149]
- One individual reported that they prefer “tiered seating and a lot of leg room.” [#VW-151]
- Another individual indicated a preference for removable seats “to accommodate a standing room show.” [#VW-231]
- Another participant commented that they would like a new venue to have “plenty of comfortable removable seats.” [#VW-013]

Intimate space. Some respondents reported a preference for an “intimate” venue option.

- One virtual workshop participant stated, “I’m personally a fan of smaller, more intimate venues” [#VW-124]
- When describing an ideal new performance space in Waco, one respondent used words such as “elegant,” “inviting” and “intimate.” [#VW-159]
- Another workshop participant remarked, “Personally, I am a fan of more intimate performance space.” [#VW-168]

- One individual stated, “Keep it intimate” [#VW-009]
- Another individual reported, “If you make the venue intimate, you’ll have sell-outs, which in turn will make people more likely to purchase tickets early for the next event. I’d rather have an intimate venue that sells out regularly than an undersold cavernous space.” [#VW-046]

Large space. A couple workshop participants made comments in support of a larger venue.

- One virtual workshop participant remarked, “The place would be large enough to attract traveling shows.” [#VW-071]
- Another participant indicated that a larger venue would “accommodate our growing community” [#VW-125]

Configuration preferences. Virtual workshop participants mentioned configuration preferences for a potential new venue in Waco.

Excellent acoustics. Nearly 20 individuals indicated that a potential new venue in Waco should have excellent acoustics. [e.g., #VW-032, #VW-041, #VW-049, #VW-088, #VW-158, #VW-232] Other comments regarding acoustics include:

- One virtual workshop participant stated, “If Waco were to build a performance space, it would need an acoustician to come in and create the best possible acoustics for all types of performance.” [#VW-73]
- Another participant indicated that a new venue should be “able to adapt to live or amplified sound.” [#VW-217]
- One participant indicated that a new venue should be “tailored toward musical performances” with “sound as a top priority.” [#VW-078]
- One virtual workshop participant remarked, “We need a performance space that pays attention to acoustics and to stage visibility from the audience.” [#VW-046]
- Another participant stated, “We need a place with excellent sound.” [#VW-091].

Flexible stage option. Nearly 20 individuals indicated that a new performance space should have a flexible stage, such as a black box. [e.g., #VW-045, #VW-101, #VW-147, #VW-226]

- Another respondent indicated that a new venue should have a smaller black box for avant-garde shows. [#VW-205]
- One participant reported that a new performance/event space should include a “smaller attached rehearsal/black box space to show children’s and smaller productions.” [#VW-166]

Large stage option. About 14 virtual workshop participants reported preferences for a large stage, and some specified that it should be able to fit a full symphony on it. [e.g., #VW-78, #VW-103, #VW-211] One participant added that in addition to having a large stage, the venue should be “fully set up for live theater.” [#VW-197]

Multiple performance spaces. More than 10 respondents indicated that they would prefer a new performing arts center to have multiple performance spaces. [e.g., #VW-050, #VW-067, #VW-205] Some respondents indicated that they would like a performing arts center with one small and one large performance space. Their comments include:

- Some respondents, who suggested a black box or flexible stage, indicated that this stage should be in addition to a larger main stage. [e.g., #VW-009, #VW-216, #VW-219]
- One virtual workshop participant remarked, “My ideal performance space would include a black box theatre with 200 or less seats and a multipurpose concert hall with 500 [or more] seats. This way there would be a space for big-name groups and shows as well as more experimental efforts.” [#VW-191]
- Another participant reported and a new venue should have “smaller spaces for more personal recitals as well as larger halls for full ensembles/staged shows...” [#VW-089]
- One respondent stated, “Perhaps 2,500 seat count with a nice orchestra pit and nice backstage area, with another more intimate venue also on site.” [#VW-048]

Large backstage. About 10 virtual workshop participants indicated that their ideal new performance/event venue in Waco would have spacious backstage/wing space. [e.g., #VW-039, #VW-070, #VW-211] Some participants added that they would also prefer the venue to have a loading dock with backstage access [e.g., #VW-184, #VW-211]

Orchestra pit. Almost 10 participants reported that their ideal venue would have an orchestra pit. [e.g., #VW-232, #VW-039, #VW-048]

Other configuration preferences. Other configuration preferences mentioned by virtual workshop participants include:

- One virtual workshop participant remarked, “Please don’t make this space a ‘multi-purpose’ space though. We have plenty of those already.” [#VW-232]
- Other stage configurations that virtual workshop participants mentioned include proscenium [e.g., #VW-063], trust [e.g., #VW-147] and in the round [e.g., #VW-188].

Technology preferences. Regarding technology, nearly 20 virtual workshop participants mentioned phrases such as “high quality,” “up to date,” “state of the art” and “excellent.” [e.g., #VW-038, #VW-105, #VW-152, #VW-174, #VW-200, #VW-232]

Audio. Approximately 25 virtual workshop participants indicated that a new performance space in Waco should have an audio system. [e.g., #VW-013, #VW-041, #VW-057, #VW-062, #VW-158]

Lighting. Nearly 20 participants indicated that a new venue should have a lighting system. [e.g., #VW-030, #VW-039, #VW-075, #VW-093, #VW-098]

Projection/media. About 13 participants indicated that a new venue should have a projection/media system. [e.g., #VW-111, #VW-147, #VW-150, #VW-184]

- One participant added that the screen should be towards the “back of the stage.” [#VW114]

- An individual stated that the stage should have multiple screens. [#VW-225]
- Another individual added, “high tech screens designed to change backgrounds.” [#VW-144]

Fly system. About seven virtual workshop participants mentioned a fly system [e.g., #VW-025, #VW-039, #VW-063, #VW-067] One participant stated, “Fly space to accommodate large Broadway-style productions.” [#VW-166]

Other technology. Other technology identified by virtual workshop participants include:

- Marley dance floor; [#VW-039]
- Streaming capabilities; [#VW-224] and
- Recording equipment. [#VW-117]

Amenities. Regarding their ideal venue, virtual workshop participants mentioned various amenities.

Rehearsal space. More than 30 virtual workshop participants indicated that their ideal new venue would have rehearsal space. [e.g., #VW-005, #VW-038, #VW-060]

- One participant reported that a new venue should have “large rehearsal spaces for music ensembles rehearsals.” [#VW-117]
- Another participant remarked that a new venue should have “rehearsal space configured like [the] performing stage.” [#VW-045]

Dressing rooms. Nearly 20 individuals mentioned that their ideal performance venue would include dressing rooms. [e.g., #VW-029, #VW-039, #VW-060]

Office space. Almost 20 individuals indicated that office space would be part of an ideal new performance venue. [e.g., #VW-067, #VW-105, #VW-140]

Shop space. More than 25 individuals identified shop space, such as a scenic and/or costume shop, as part of their ideal new venue. [e.g., #VW-159, #VW-165, #VW-202]

Green room. Almost 10 virtual workshop participants mentioned having a green room in their ideal new performance venue. [e.g., #VW-030, #VW-038, #VW-063]

Food and beverage options. Almost 20 individuals mentioned some form of food and beverage amenity, such as concessions, bars, restaurants and cafes. [e.g., #VW-151, #VW-128, #VW-156]

Storage. More than 10 participants identified storage space as an amenity in their ideal new performance venues. [e.g., #VW-166, #VW-205, #VW-060]

Gallery. Some virtual workshop participants indicated that their ideal performance space would include a gallery. [e.g., #VW-009, #VW-128, #VW-148]

- One participant indicated that the venue should have the “ability to turn into a gallery during [the] off season.” [#VW-208]

- Another participant noted that their ideal venue would have “an art gallery to use as a theater lobby.” [#VW-219]

Studio/classroom. Some participants mentioned a studio or classroom space when describing their ideal venue. [e.g., #VW-152, #VW-173]

Reception space. Certain individuals stated that their ideal new performance/event venue would include a reception space. [e.g., #VW-020, #VW-103]

Gift shop/merchandise sale space. Some workshop participants indicated that their ideal new performance/event venue would have a gift shop or area for merchandise sales. [e.g., #VW-151, #VW-209]

Recording studio. Several individuals mentioned that their ideal new performance/event venue would have a recording studio. [e.g., #VW-117, #VW-219]

Outdoor space. Some respondents commented that some form of outdoor space would be included in their ideal new venue. [e.g., #VW-151, #VW-162]

Parking. About 10 virtual workshop participants commented on parking as part of their ideal new venue. [e.g., #VW-202, #VW-214] Comments include:

- One participant noted that Waco currently has significant parking “issues.” [#VW-083]
- One individual indicated that a new venue would need “easy access and parking.” [#VW-102]
- Another individual remarked, “Parking will be an issue.” They added that many patrons are elderly and cannot walk far. [#VW-068]
- A workshop participant stated, “Parking will be very important,” and added, “Events need to appeal to both families and college-age [individuals].” [#VW-186]
- Another workshop participant indicated that parking in Waco “can be a pain.” [#VW-062]

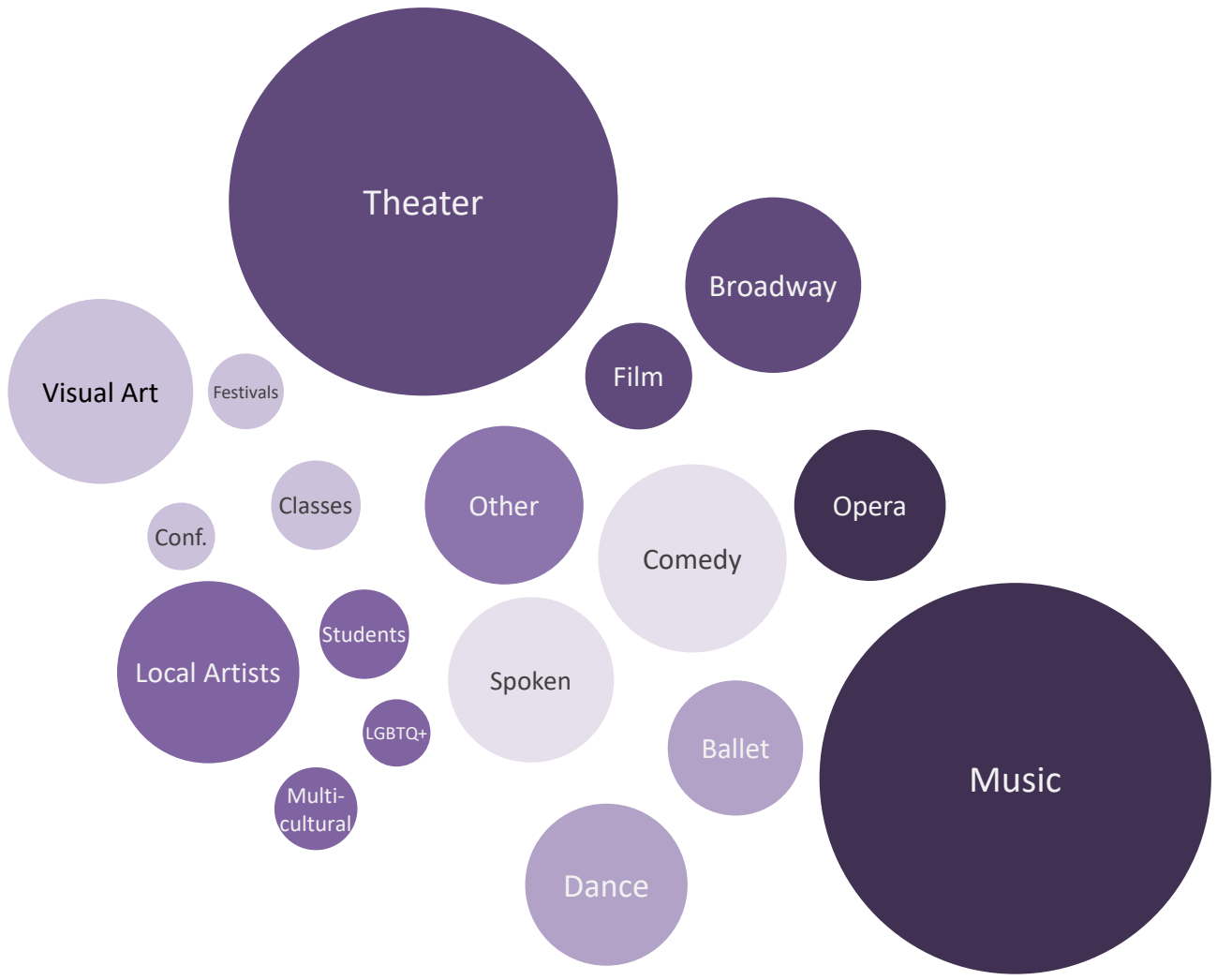
Other. Other comments that were provided regarding virtual workshop participants’ ideal performance/event space are as follows:

- One virtual workshop participant remarked that their ideal venue does not “duplicate what is currently available, unless current space is desirable but not big enough.” [#VW-226]
- Another virtual workshop participant stated that their ideal venue is a place “where artist have a greater input and can take part in its development.” [#VW-152]

Event Preferences in a New Performing Arts Center

Keen Independent asked virtual workshop participants what types of events they would want at a potential new performance/event space in Waco. Figure C-9 illustrates how many times participants mentioned each type of event. Participants most often mentioned music and theater events.

Figure C-9. Types of events mentioned by virtual workshop participants when asked what type of events they would like to see at a new performance/event space in Waco



Source: Keen Independent Research.

Other Input Provided to Inform the Study

At the end of the virtual workshop, participants were asked if they had any additional input to inform the study. Some participants provided recommendations, while others shared their thoughts about this study and the cultural state of Waco.

Location. Participants who shared their thoughts about the location of a potential new performing arts center provided the following comments.

- Several workshop participants indicated that a new performance/event venue should be located along the Brazos River. [e.g., #VW-164, #VW-162, #VW-194]
- One participant remarked, “[A new venue] should be along the river ... [and] integrate with the convention center.” [#VW-066]
- An individual indicated that the new performance/event space should be located in downtown Waco [#VW-155]. Another participant stated, “Waco needs a downtown [performing arts center] to bring more younger people downtown.” [#VW-135]
- A participant remarked that a new venue should be “close enough to Baylor [so] it would be an attraction to Baylor events and students.” [#VW-214]
- Another participant commented, “Downtown is not necessary.” [#VW-166]
- One individual asserted, “Do not build it near the silos.” [#VW-022]
- Another individual reported, “Location will be one of the keys to success.” [#VW-214]

Cost. Some virtual workshop participants shared concerns and suggestions regarding costs associated with utilizing a potential new performing arts center.

- One respondent suggested, “... have cheaper event options ... so that students are more likely to attend.” [#VW-141]
- Another respondent suggested, “Make money on large shows to subsidize local non-profit use of the space.” [#VW-219]
- One individual indicated that local groups should be offered access at no charge. [#VW-182]
- Another individual stated that shows should be “affordable” and “open to the public.” [#VW-201]
- A workshop participant suggested, “... lower cost rental options to promote new artistic endeavors.” [#VW-127]
- A virtual workshop respondent recommended that a new performing arts center should have “accessibility and affordability.” [#VW-210]
- Another workshop participant reported, “[I] would love to go with family, but we don’t have any money.” [#VW-215]
- Regarding the construction of a potential new performing arts center, one individual remarked, “I don’t see Waco being able to come up with the funds ...” [#VW-026]

Diversity. Several virtual workshop respondents stressed the importance of diversity regarding a new performing arts center.

- One virtual workshop participant remarked, “Make events at this venue as diverse as the population ...” [#VW-210]
- Another individual commented, “Engage people with diverse life experiences in the design process,” and added, “Allow local leaders from different communities to participate in leadership.” [#VW-168]
- A virtual workshop participant reported, “There are charities and groups who don’t have much opportunity to perform in Waco due to discrimination.” [#VW-114]

Community support. Some virtual workshop participants provided suggestions on how to support the Waco community with new venues. Their comments include:

- One participant suggested, “... put efforts towards a smaller facility,” and added that the new facility should be a “home for local theater and dance groups.” [#VW-026]
- Another workshop participant indicated that a new facility should “cater” to locals instead of tourists. [#VW-200]
- An individual indicated that a new performing arts center should be “easily accessible for companies that are just starting out.” [#VW-111] Another individual remarked that a new performing arts center should be able to house arts organizations. [#VW-184]

Facility design and operations. Some participants provided suggestions regarding the construction, design and operations of a potential new performing arts center in Waco. Examples include:

- One participant indicated that the new performance/event venue should be a “joint venture.” [#VW-032]
- Another participant noted that the new performance/event space “should be near/connected in some way to the convention center.” [#VW-103]
- A virtual workshop participant remarked, “Better to get something smaller quickly than to spend years planning and fundraising to get something huge.” [#VW-147]
- One virtual workshop participant remarked, “Architecture should be unique,” and added, “... plenty of parking and walkable to hotels, restaurants and nightlife.” [#VW-184]
- One individual commented, “If Waco is to continue to grow and flourish, we must continue to provide more visual arts programs ...” [#VW-049] Another individual indicated that the new venue should have room for local visual art. [#VW-178]
- When asked for additional input to inform the study, two participants recommended bringing “top name” performers to Waco. One participant stated, “Bring in top name performers ... I get tired of driving to Dallas or Austin.” [#VW-185] Another participant remarked, “Need to be able to attract top touring shows and artists.” [#VW-158]

Other suggestions. Virtual workshop participants offered a variety of other suggestions. Examples include:

- One virtual workshop participant commented, "... attract people from our big cities to come to Waco." [#VW-220]
- Another virtual workshop participant stated, "I would like the opportunity to play in a large space. I would like to see a music festival where smaller or local indie bands would play." [#VW-157]
- One individual remarked, "I feel like with more space, it [would] open up new artistic opportunities to those interested in the arts." [#VW-054]
- Another individual indicated that the new performance/event space should have easy highway access. [#VW-212]
- A participant remarked, "Bring a decent performing arts venue to Waco!" [#VW-025]
- Another participant commented, "Let's help existing venues be successful." [#VW-213]

Other input. Other comments included:

- One virtual workshop participant indicated that current venues in Waco are "inadequate." [#VW-117]
- Regarding the Waco area, one participant commented, "[It] is already saturated with events and performances." [#VW-055]
- Regarding this virtual workshop survey, one participant noted, "Most people that fill these surveys out are from a select group of people in Waco that are not representative of how different people in Waco can be." [#VW-208]
- One individual stated, "Waco needs more creativity ..." [#VW-050]
- Another individual commented, "Waco's college and community theatres are woefully old and lacking in both space and new technology." [#VW-039]
- A virtual workshop participant remarked, "Glad Waco is recognizing the need for a city facility to improve quality of life in our growing community" [#VW-179]
- Another virtual workshop participant stated, "Waco is really starting to make a name for itself again." [#VW-044]
- One individual commented, "I look forward to attending future events here!" [#VW-080]
- Another individual stated, "Baylor students would be very attracted to the space." [#VW-073]
- One participant remarked, "Waco could be a really great music city with just a little extra help!" [#VW-124]
- A workshop participant indicated that they would like to be one of the first people to use the space. [#VW-144]

- A virtual workshop participant commented, “The time is now for our new arts center.” [#VW-003]
- Another virtual workshop participant noted, “Waco is up and coming. We need to start competing with Dallas and Austin for the entertainment dollars that they glean from our locals.” [#VW-041]
- One individual stated, “Waco should be a launch pad for the future of American Theatre.” [#VW-173]
- Another individual commented, “Where arts flourish, the whole community benefits. Art is not an option, it’s a need.” [#VW-122]
- A virtual workshop participant remarked, “I would just love to have a beautiful space where the great shows can be brought in.” [#VW-130]
- Another virtual workshop participant asked, “What will Waco arts organizations agree to give up [in order] to share a single facility?” [#VW-001]
- One individual remarked, “Don’t cut corners! Either do it well, or not at all. Waco has the chance to shock people, take advantage of it!” [#VW-101]

APPENDIX D

Qualitative Analysis of the First Waco Community Meeting Comments

This document presents qualitative information that Keen Independent collected as part of its facilitation of the Waco Cultural Facility Study workshop with artists, arts organizations, community members and other stakeholders. This analysis includes seven parts:

- A. Summary;
- B. How we got here;
- C. Description of Waco;
- D. Key elements of a new facility;
- E. Other amenities needed;
- F. Location suggestions; and
- G. Considerations of the Magnolia tourism market.

A. Summary

Keen Independent conducted a workshop with stakeholders at the Waco Convention Center on October 22, 2019. Workshop attendees included 25 participants, such as community members, arts organization representatives and other engaged stakeholders.

Keen Independent Project Manager, Alex Keen, presented discussion prompts on the following topics to gather input:

- The culture of Waco;
- Key elements of an ideal cultural facility;
- Potential locations to consider for a new cultural facility; and
- How artists and arts organizations navigate the Magnolia tourism market.

B. How We Got Here

Keen Independent asked workshop attendees about what brought them to the workshop.

- One workshop attendee commented that they want to reinvest in downtown.
- Another workshop attendee reported that his understanding of the value of the arts began about 10 years ago when he began strategizing about revitalizing downtown and discussing the economic development value of arts and culture. He added that this study was “the next step in the natural progression of us really exploring that.”

C. Description of Waco

Keen Independent asked workshop participants to describe Waco as if they were speaking to an outsider. Comments include:

- An attendee reported that Waco has an active cultural community that is in concert with the City and community leaders.
- One community member reported that Waco is not the heart of Texas. She added that Waco was once only a place to stop for gas, but now people are coming into the city and discovering its offerings.
- Another community member reported that Magnolia has done a lot for Waco and “put [it] on the map.” She added that 40,000 people come to Waco each week. She noted that Waco is a significant tourist destination.
- A workshop attendee commented that Waco is “becoming more cosmopolitan.” She added, “There are people moving here all the time ... from the west coast ... because they like it, ... [It’s] less expensive, and they’re finding out that there’s a lot more to the city than they have ever would have thought.”

D. Key Elements of a New Facility

Keen Independent asked workshop participants to describe their ideal cultural facility as specifically as possible. Their responses follow.

- An arts organization representative reported that her organization is willing to “cut back” on the number of seats to no less than 1,500 to accommodate the needs of other groups in a new performing arts facility.
- Another arts organization representative reported that she would like to bring in small shows from Dallas and Austin, as well as local bands. She suggested a black box or thrust stage of 199 seats but indicated that her organization would not be interested in a proscenium. She added a well-attended small facility is better than a partially filled large facility.
- A workshop attendee reported that large adaptable theater spaces that can accommodate stage productions and movies would be ideal. He added that one or two additional smaller facilities seating 50 and 200 with projection capabilities would also be preferred.
- Another workshop attendee commented that a new cultural facility must generate revenue to stay open. She added that a facility cannot make sufficient revenue by only serving locals. She commented that locals need to understand that they must pay to use the space, the facility should attract traveling shows and be in use as much as possible.

The same community member suggested that the size of the stage should be larger than the Hippodrome stage, as some traveling shows do not perform in Waco due to the small size of the Hippodrome stage.

- One arts organization representative reported that a 500 seat venue would be ideal, because it is the size of their current performance location.
- Another arts organization representative recommended that a new facility should have multiple performance spaces. He commented that not all the spaces should be flexible, because there is a “soullessness” to a black box. He added that a 400- to 500-seat, as well as a 100-seat space would be desired.

E. Other Amenities Needed

Workshop attendees mentioned other amenities needed in a new cultural facility, such as technology, spaces for retail, dining, galleries and storage, as well as a bar and outdoor area. Additional comments follow.

- One arts organization representative reported that he would like a digital projection system for scenery.
- Another arts organization representative reported that her organization often prioritizes serving food and alcohol alongside visual art shows.
- A workshop attendee suggested that the space should have a rehearsal room that can hold 75 to 80 people in addition to a second area with a 40-person capacity.

The same attendee added that he would prefer a facility where another organization is responsible for building upkeep and maintenance, but he noted concern over being “priced out.”

- A community member suggested that the space should have an outdoor stage for “open mic” opportunities. She indicated that Waco already has a vibrant art, film and music scene that can inspire others to be creative. She added that the facility should capitalize on new people arriving in Waco.
- One community member indicated a preference for more fine art in Waco. She added that she wanted the Brazos River Festival to return. Another community member commented that a permanent place for the festival should be found.
- An arts organization representative reported that they would like a facility with the capacity to accommodate a reception in the same area as the event.

Visual appeal. Many attendees discussed the visual needs of a new space. Comments include:

- One community member remarked, “It would need to be a cool place to go to.” He added that this “cool factor” should be one reason people are drawn to the space. He noted that his organization currently must convince patrons to travel just five minutes to events downtown.
- A workshop attendee reported that a new space requires a “cool aesthetic” and a “visual interest” to market to local patrons.
- Another attendee noted that a new cultural facility could be a “landmark structure.”

- A community member reported that the new space should be a “fun place to go to meet your friends.” She added that going to the facility should become “a social event.”

Technical help. Keen Independent asked workshop participants if Waco has enough technical labor available to staff new venues. A workshop attendee indicated that there are very few technicians in the immediate area, and it is expensive to bring technicians in from other cities, such as Austin, and provide housing.

F. Location Suggestions

Keen Independent asked workshop participants for location suggestions for a new cultural facility. The following locations were suggested:

- On the river;
- East Waco;
- A warehouse near the Hotel Indigo Waco;
- The old icehouse; and
- Heritage Square.

Location criteria. Keen independent asked workshop attendees about criteria of an ideal location.

- One workshop participant indicated that access to parking is important.
- A community member reported that the space should have a “public gathering space.”
- A workshop participant reported that the space should have both indoor and outdoor areas. Another participant added that the outdoor space should have bathrooms and concessions.

G. Considerations of the Magnolia Tourism Market

Keen Independent asked workshop participants how they consider the Magnolia tourism market when making decisions for their organizations.

- One arts organization representative commented that Magnolia closes on Sunday, therefore tourists may be looking for activities to do on Sundays.
- A community member mentioned that the Magnolia silos have nighttime lights that have a “Disney effect” which draws tourists to stay in the area. She indicated that Magnolia can be a good example to refer to for the potential new facility.
- Another community member reported that a local business held a booth at Silobration, Magnolia’s annual free event, which attracted customers to the actual store.
- An arts organization representative indicated that tourists tend not to plan activities beyond visiting Magnolia and noted, “We benefit from that greatly.”
- A workshop participant indicated that Waco hotels do not have concierge services introduce visitors to Waco’s arts and cultural offerings.

APPENDIX E. Implementation Checklist

Below, we provide checklists to use as guidance for next steps.

Figure E-1. Implementation checklists

Venue development checklist

- Form a project task force
- Select and confirm a site
- Align capital resources
- Engage a partner to work with stakeholder and undertake Conceptual Renderings and Basis of Design
- Determine the preferred operating model (see Annex C for options and considerations)
- Open an endowment campaign to support the community use of performing arts facilities

Venue ownership checklist

- Establish or determine the entity that will own the venue
 - If the entity owning the venue is determined to be the City*
 - Hire an Executive Director of the venue (preferably several years before opening)
 - If the entity owning the venue is determined to be a new nonprofit:*
 - Develop a board structure and recruit board members
 - Establish the nonprofit
 - Establish a memorandum of understanding regarding venue ownership
 - Hire an Executive Director (if owner and operator are same entity)
 - If the entity owning the venue is determined to be an existing nonprofit:*
 - Establish a memorandum of understanding regarding venue ownership

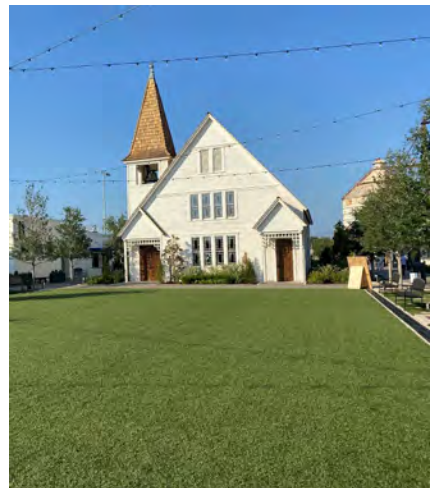
Venue opening operations checklist

- Determine the entity that will run the venue (nonprofit or venue management company)
 - If the operator is determined to be an existing nonprofit or the City:*
 - Program the first season
 - Promote awareness of the venue
 - Promote the first season
 - Hire additional support staff
 - If the operator is determined to be a new nonprofit (separate from the owner):*
 - Develop a board structure and recruit board members
 - Establish the nonprofit
 - Establish a memorandum of understanding regarding venue ownership
 - Hire an Executive Director (preferably several years before opening)
 - Program the first season
 - Promote awareness of the venue
 - Promote the first season
 - Hire additional support staff
 - If operator is determined to be a venue management company:*
 - Find and establish a partnership with a venue management company
- Establish memoranda of understanding with future resident companies
- Fundraise for venue operations
- Develop venue policies and procedures
- Open the venue

ANNEXES

Keen Independent subconsultants Theatre Consultants Collaborative, Venue and Victor Gotesman Performing Arts Facilities Planning provided the following annexes as part of the Waco Arts Feasibility Study.

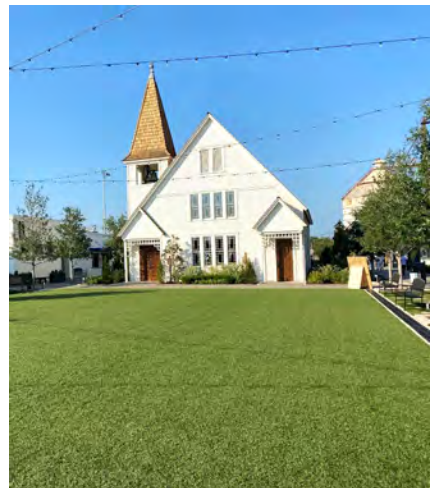
- Annex A. Theatre Consultants Collaborative space program for a new arts center in downtown Waco;
- Annex B. Venue Order of Magnitude Estimates for a new arts center and supplemental spaces; and
- Annex C. Victor Gotesman Performing Arts Facility Planning Operational Plan Report, which includes facility benchmarking and Hotel Occupancy Tax analysis.



ANNEXES

Keen Independent subconsultants Theatre Consultants Collaborative, Venue and Victor Gotesman Performing Arts Facilities Planning provided the following annexes as part of the Waco Arts Feasibility Study.

- Annex A. Theatre Consultants Collaborative space program for a new arts center in downtown Waco;
- Annex B. Venue Order of Magnitude Estimates for a new arts center and supplemental spaces; and
- Annex C. Victor Gotesman Performing Arts Facility Planning Operational Plan Report, which includes facility benchmarking and Hotel Occupancy Tax analysis.



WACO, TEXAS

Proposed New Performance Facility

Preliminary Schedule of Spaces

Series #	SPACE	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Notes on Recommended NSF
		1,800	1,500	1,250	1,000	Seat Count
A100	Public Spaces					
101	Public lobby	12,600	10,500	8,750	7,000	7 sf per seat
102	Auditorium access circulation	4,500	4,500	3,750	3,000	3 sf per seat
103	Auditorium sound & light locks	-	-	-	-	in gross
104	Concessions	360	300	280	260	
105	Concessions storage	120	120	120	120	
106	Public restrooms (male)	950	792	660	528	
107	Public restrooms (female)	2,412	2,010	1,675	1,340	
108	Public restrooms (family)	140	140	140	140	each at 70 sf
109	VIP Room	1,000	1,000	1,000	1,000	
110	VIP catering	200	200	200	200	
111	VIP storage	160	160	160	160	
112	VIP restrooms	240	240	240	240	
113	Front-of-house storage	120	120	120	120	
114	Box office - sales	200	200	200	200	
115	Box office - administration	160	160	160	160	
A200	Performance Space					
201	Auditorium (with balcony)	18,000	15,000	12,500	10,000	10 sf per seat
202	Stage and wings	4,500	4,500	4,500	4,500	45' x 100' wide
203	Stage apron	160	160	160	160	45' proscenium opening
204	Stage crossover	800	800	800	800	8' wide
205	Orchestra shell tower storage	240	240	240	240	
206	Orchestra pit	720	720	720	720	40 musicians @ 18 sf
207	Choral riser storage	100	100	100	100	
208	Stage sound & light locks	-	-	-	-	in gross
209	Lighting control booth	120	120	120	120	
210	Sound control booth	120	120	120	120	
211	Followspot booth	210	210	210	210	

WACO, TEXAS

Proposed New Performance Facility

Preliminary Schedule of Spaces

Series #	SPACE	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Notes on Recommended NSF
212	In-house sound control	160	160	160	160	
213	Dimmer / switch room	150	150	150	150	
214	Sound rack room	80	80	80	80	
215	FOH catwalks (2)	-	-	-	-	in gross
216	Grid	-	-	-	-	in gross (65' to underside of grid)
217	Stage galleries / Catwalks	-	-	-	-	in gross
A300	Stage Support					
301	Office - production	160	160	160	160	
302	Office - visiting production	120	120	120	120	
303	Backstage restroom (male)	150	150	150	150	3 units @ 50 sf
304	Backstage restroom (female)	150	150	150	150	3 units @ 50 sf
305	Storage - piano	120	120	120	120	
306	Storage - lighting	180	180	180	180	
307	Storage - sound	180	180	180	180	
308	Storage - rigging	180	180	180	180	
309	Storage - musical instruments	180	180	180	180	
A400	Performer Support					
401	Performers' lounge / Green Room	500	500	500	500	
402	2-4 person dressing room	220	220	220	220	with toilet, sink, shower
403	2-4 person dressing room	220	220	220	220	with toilet, sink, shower
404	2-4 person dressing room	220	220	220	220	with toilet, sink, shower
405	2-4 person dressing room	220	220	220	220	with toilet, sink, shower
406	15-person dressing room	600	600	600	600	with toilet, sink, shower
407	15-person dressing room	600	600	600	600	with toilet, sink, shower
408	Wardrobe maintenance	350	350	350	350	
409	Laundry	120	120	120	120	
410	Vending	30	30	30	30	

WACO, TEXAS

Proposed New Performance Facility

Preliminary Schedule of Spaces

Series #	SPACE	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Notes on Recommended NSF
A500	Multi-Use Room					
501	Multi-use room	2,600	2,600	2,600	2,600	45' x 58' x 24' clear height
502	Sound and light locks	-	-	-	-	in gross
503	Control booth	140	140	140	140	
504	Storage	300	300	300	300	
A600	Media / Broadcast Studio					
601	Studio	2,000	2,000	2,000	2,000	40' x 50' x 24' clear height
602	Engineering / control	240	240	240	240	
603	Equipment room	240	240	240	240	
604	Observation space	240	240	240	240	
605	Storage	240	240	240	240	
606	Green Room	240	240	240	240	
607	Changing room	200	200	200	200	
608	Changing room	200	200	200	200	
A700	Administrative Offices					
701	Office - executive director	200	200	200	200	
702	Office - reception and waiting	160	160	160	160	
703	Offices - staff	980	980	980	980	7 @ 140 sf
704	Work stations	360	360	360	360	6 @ 60 sf
705	Offices - resident companies	360	360	360	360	2 @ 180 sf
706	Offices - resident companies	280	280	280	280	2 @ 140 sf
707	Work stations - resident companies	360	360	360	360	6 @ 60 sf
708	Conference room	300	300	300	300	
709	Office equipment and supplies	120	120	120	120	

WACO, TEXAS

Proposed New Performance Facility

Preliminary Schedule of Spaces

Series #	SPACE	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Rec'd Net Sq. Ft	Notes on Recommended NSF
A800	Services					
801	Catering support	300	300	300	300	table and chair storage, etc.
802	Catering prep	300	300	300	300	
803	Housekeeping closets	120	120	120	120	3 @ 40 sf
804	Trash / Recycling storage & disposal	-	-	-	-	in gross
805	Loading dock	-	-	-	-	in gross
	TOTAL - net square feet	63,502	57,782	52,295	46,808	
	Net-to-gross multiplier	1.65	1.65	1.65	1.65	
	TOTAL - gross square feet	104,779	95,340	86,287	77,233	

New Performance Facility, Waco, Texas

Waco, Texas

Order-of-Magnitude Program Estimate Summaries

May 7, 2021



Introduction

Keen Independent Research commissioned Venue to provide an order-of-magnitude estimate for the New Performance Facility in Waco. Venue submits this program Order-of-Magnitude Summary Costs as a cost model to assist in aligning program, scope, quality and budget.

Basis

Theater Consultants Collaborative program titled "WacoTexas-space-program-Apr-2021-1 ADJ" dated 30 April 2021 forms the basis of this estimate.

Financial Summary

The estimated Total Construction Cost for the New Performance Facility in 3rd Quarter 2024 bid dollars for each option is as follows:

- 1,500 seat option \$77.4 million
- 1,250 seat option \$70.3 million
- 1,000 seat option \$63.43 million

The following are premiums for these programs, if built as the same time as the new performance facility:

- Media/Broadcast Studio - 6,130 gsf \$4.0 million
- Multi-Use Room - 4,950 gsf \$5.0 million

Building Summary

Gross floor area of for each option is as follows:

- 1,500 seat option 81,955 gsf
- 1,250 seat option 73,770 gsf
- 1,000 seat option 65,475 gsf

Gross floor area clarification: plenum, catwalks and exterior program areas are not included in the gross floor area. The building footprint is assumed to be 50% of the overall gross floor area.

Estimate Methodology

Theatre Projects Consultants program dated 30 April 2021 was analyzed and adjusted for the required grossing factor (the inclusion of area for public circulation, structure/walls etc., back-of-house circulation, mechanical/electrical spaces, unusable spaces, etc.), yielding a gross floor area for the new facility. A cost model was next developed based on the function of areas contained in the gross floor area program, and other building, performance equipment, acoustical and site conditions taken into consideration. It should be noted that this is a program driven budget principally based on functional areas and is not meant to reflect any particular design. Extant site and building conditions have not been considered, as directed.

For pricing and market conditions, Venue confidentially contacted general contractors for input and this current and project specific cost data was utilized in this estimate.

Estimate Inclusions

Building Costs:

- Substructure
- Shell
- Interiors
- Mechanical & electrical services
- Performance equipment & seating
- General requirements
- Sitework & Utilities (just connections)
- Design/pricing allowance
- General conditions, overhead and fee
- Escalation to 3rd Quarter 2024
- GMP buyout contingency
- Construction change order contingency

Estimate Exclusions

Soft Costs and other indirect costs:

- Demolition
- Owner purchase loose fixtures, fittings and equipment and furniture (FF&E)
- Multiple phasing/staging of construction
- Soil borings, Geotech, site and utility surveys
- Testing/inspections expenses
- Third party acoustical and M&E commissioning
- Acoustical premiums associated with the rail tracks and the motorways
- Permits and associated fees
- Professional fees and reimbursables
- Contaminated soil treatment and disposal
- Design build and/or fast-track construction schedule premium
- Sole sourced equipment or systems
- Service and maintenance contracts
- Models, mockups, renderings
- Fundraising
- Public relations
- Legal fees and expenses
- Groundbreaking, topping off and pre-opening
- Art allowance
- Spare parts
- Tours of other facilities
- Financing
- Owner staff costs
- Owner moving expenses
- Musical instruments etc.
- Owner relocation (during construction) and moving expenses
- Endowment/Subsidies
- Owner overall project contingency

Definitions and Assumptions

The following helps define the terminology and assumptions in this report:

- Building includes:
 - Substructure: pile foundations; dewatering.
 - Structure: comprises steel/concrete frame.
 - Exterior enclosure comprises 75% brick, 10% precast stone (or equal allowance) and 10% curtainwall and 5% punched windows.

Definitions and Assumptions (Cont'd)

- Interiors comprise:
 - Performance Hall floors are polished concrete with carpet in the aisles, stage has sprung wood; walls are 15% wood, 25% AWP and balance painted/shaped gypsum; ceilings are painted/shaped gypsum reflectors underside of catwalks (25% of upper level) and painted/flat gypsum to lower levels.
 - lobby floors are 70% tile and 30% carpet; walls are 20% wood, 30% AWP and balance painted gypsum; ceilings are 70% shaped gypsum and balance painted flat gypsum.
 - VIP room has wood floors; walls are 20% wood, 30% AWP and balance painted gypsum; ceiling has shaped
 - basic functional standard to balance of back-of-house spaces.
 - partitions and doors: CMU/multi-layer gypsum; STC and gasket and sealed doors to sound critical spaces.
 - conveying systems: elevators - 3 public, 2 back-of-house, 1 freight, 1 handicapped lift; stairs - 1 feature (1 flight), 8 flights public, 22 flights back-of-house/exit.

- Mechanical includes plumbing and drainage, fire protection, heating, ventilating, air conditioning and controls -

Plumbing and Drainage:

Plumbing and drainage includes electronically activated plumbing fixtures; domestic hot, cold and recirculation potable water piping to fixtures and fittings and HVAC systems throughout; gas fired hot water heaters; domestic water booster pump; gravity and pumped flow sanitary waste (and vent) collection system from fixtures, fittings, floor drains and equipment throughout connected to site sanitary services; full flow storm drainage waste collection piping connected to site services with emergency overflow daylighting system; weeping tile underslab sump pump is connected to weeping tile; natural gas is provided to serve hot water heater, boilers and kitchen appliances.

Fire Protection:

Fire protection includes for a fully protected facility, complete with a combination standpipe/sprinkler coverage throughout complete with siamese connection; wet sprinkler systems throughout as per NFPA 13; fire hose valves at intermediate stair landings, exit passageways, roof, and the supplemental interior locations as per the design intent; a fire water booster pump @ 750gpm; gaseous fire protection systems not required.

Controls and Automation:

A Building Automation System (BAS) is provided consisting of direct digital controls. The BAS controls and monitors all HVAC systems and equipment, and various plumbing, fire protection and electrical systems where required. System allows operators to start and stop equipment and will automatically control zone temperatures, air and water flow rates. System and system graphics allow full monitoring, trending and reporting of set points, equipment control and alarm functions. Damper and valve actuators are electric/electronic type with direct digital control (DDC). Ventilation rates are controlled by carbon dioxide sensors (demand ventilation) throughout the facility. Loading dock is provided with CO/NOx sensors to control ventilation system exhaust fans c/w wiring in conduit with connections to main BAS system for start/stop/status.

Heating, Ventilating, Air Conditioning (H.V.A.C.):

The mechanical H.V.A.C. system estimate includes for the following:

- An independent water cooled chiller plant to meet the peak load; comprising high efficiency centrifugal water cooled chillers with all necessary ancillary plant equipment and matching stainless steel cooling towers, complete with variable speed chilled water circulation pumps, air separation, water make up, and chemical dosing system. Chilled water distribution piping is extended to air handling units and localized cooling units throughout.
- An independent condensing boiler plant to meet the peak load; comprising natural gas fired high efficiency condensing boilers with all with all necessary ancillary plant equipment complete with variable speed hot water circulation pumps, air separation, water make up, and chemical dosing system. Hot water distribution piping is extended to air handling units, fan coil units, unitary heaters and reheat coils throughout.
- Special purpose rooms such as piano and instrument storage are provided with independent humidifiers.
- Ventilation and cooling air is delivered to all occupied areas of the building via semi-custom outdoor mounted air handling units, Fanwall (fan array) type (for noise critical areas) with VFD's and supplemented with localized spot cooling units to suit special purpose needs. Fresh air is provided through dedicated outside air handling units with energy recovery wheels. Semi-custom constant variable volume AHU's with noise-critical underfloor air distribution system serves the Audience Chamber to an NC20 noise criterion. Similarly air distribution to lobby and support spaces is provided via conventional overhead air distribution via linear bar and/or sidewall diffusers near various gathering areas and along exterior curtain walls, with variable volume terminal boxes with hot water reheat coils to suit the specific zone space temperature / humidity environmental needs. Generally air is supplied to the spaces via a network of sheetmetal ducts to and from the respective air handling units supply air diffusers within the space. Duct is lined with internal 1" - 2" thick duct liner depending on location and area served. Ceiling voids (where available) are utilized to convey return air to main riser shaft locations.
- Semi-custom quality Outdoor mounted air handling units generally comprising of: 4" thick Double Wall insulated casing, solid stainless steel base (drain pan), chilled water cooling coil section, hot water reheat coil, mixing box section, MERV8/13 filter sections, supply and return/exhaust fan arrays through variable frequency drives and c/w vibration isolation, access sections with marine lights, factory installed building automation BACnet, and discharge plenum equal to Trane / Daikin.
- Central washroom / locker exhaust system with roof mounted exhaust fan, exhaust sheetmetal ductwork and grilles. Exhaust air is exhausted via a heat reclaim device. Kitchenette's are ducted to general exhaust. Mechanical and electrical rooms are provided with inline exhaust fan, intake and exhaust louvers, exhaust sheetmetal ductworks and grilles.
- Provision for auxiliary 24/7 dx cooled VRF fan coil cooling systems for data rooms / instrument rooms / control rooms and the like.
- Provision for duct lagging, vinyl wrap, acoustical plenums (sound traps) and the like for low NC spaces.
- Smoke control systems are included for both Lobby areas and Hall
- Generator support including fuel oil storage, pumping and piping, exhaust stack and ventilation.

General:

- All systems / services located and routed for acoustic sensitivity and noise transfer elimination
 - Design includes for LEED / sustainable design initiatives compliance and administration. Design will be such to comply with LEED Certified as a minimum.
 - Seismic / Hurricane restraints to City standards
-
- Electrical includes services and distribution, lighting, devices and controls, systems and ancillaries and performance equipment accommodation – specifically –

Distribution & Services:

The facility is powered through a Customer owned 1000KVA substation. This substation feeds the 1200A 277/480V main switchboard via 1200A secondary feeders. 277/480V distribution panels distribute the power throughout the facility. Lighting is fed from 120/208V lighting panels. Emergency life safety lighting is fed through a 150KVA 277/480V diesel generator. 120/208V panels provide power to receptacles and theatrical loads. Transformers are isolation type to accommodate the production equipment requirements and are located away from all production areas. Mechanical equipment is fed through 480V mechanical panels and the electrical division is providing line and load side wiring. A building and technical grounding systems are provided throughout the facility. A lightning protection system is installed to protect the facility.

Lighting, Devices and Heating:

Lighting is generally provided using recessed and wall mounted decorative LED fixtures. Life safety lighting is powered through the emergency distribution system and is controlled using emergency control relays. Lighting control is generally provided using a central LV addressable control system. Local switching, occupancy and daylight sensors are incorporated into the design. These controls are interfaced with the production dimming systems. Devices are installed to meet general maintenance and specialty requirements for production facilities. 20A receptacles are provided in the production areas to accommodate the production equipment requirements. Dimmer racks are provided as part of the equipment provided in the production equipment package and will be fed through dedicated transformers.

Systems and Ancillaries:

An addressable two stage fire alarm EVAC system is provided throughout the facility. A distributed antenna system for first responders is provided throughout the facility. A security access control and CCTV system is provided to facilitate the control and monitor the perimeter access doors. Communications empty raceway infrastructure and CAT 6 structured cabling system are provided. Horizontal CAT 6 is provided from wall mounted communication outlets, wireless access points and runs back to communications rooms. An empty raceway and wiring system for the production equipment and AV is provided to accommodate the production equipment. Production equipment is provided by the Production Equipment contractor and is not included in

- Performance equipment and seating allowance per Theatre Consultants Collaborative.
- Acoustic standard is NC 20 for the auditorium. Acoustic isolation design is dependent on final noise criteria design parameters of the site and final design room adjacencies.
- General requirements includes for contractor supplied crantage and hoisting, scaffolding, subguard and miscellaneous non trade items.

- Sitework & Utilities allowance includes for minimal utilities allowance for mechanical and electrical work only.
- Design/pricing allowance is for ongoing design detailing that will occur until drawings are complete and for quantity measurement and pricing adjustments.
- General conditions, overhead and fee includes all requirements for the general contractor (or construction manager), at a competitive rate.
- Escalation to bid date allows for normal price increases that will likely occur between now and the projected 3rd Quart 2024 bid date. However, any final adjustment to pricing can only be made with any certainty once market conditions at bid time are known.
- GMP buyout contingency is included to allow for variances in the trade bids received by the CM.
- Construction change order contingency is for ground conditions variances, coordination conflicts on the drawings and other minor errors and omissions that may occur during the construction phase of the project (owner changes not included).

Note: Venue has no control over the cost of labor, materials or equipment, the general contractor/construction manager's bid prices, competitive/negotiated bidding, or market conditions. Whilst Venue cannot warrant that bids or negotiated prices will not vary from any estimate prepared, we do however use our best endeavors to ensure that our estimate closely reflects the anticipated bid cost.

New Performance Facility, Waco, Texas

Waco, Texas

Order-of-Magnitude Program Summary - 1,500 Seat Option

May 7, 2021





New Performance Facility, Waco, Texas
Order-of-Magnitude Program Summary - 1,500 Seat Option

Estimate Summary

May 7, 2021

ITEM	AMOUNT	
A Sub-Structure	\$2,735,000	
B Shell	\$19,420,000	
C Interiors	\$9,560,000	
D Mechanical & Electrical Services	\$12,855,000	
E Performance Equipment & Seating	\$3,685,000	per TCC
F Demolition & Temporary Construction	\$0	
G General Requirements	\$3,420,000	
H Siteworks & Utilities	\$1,265,000	
I Design/Pricing Allowance	10.0%	\$5,295,000
J General Conditions, Overhead & Fee	14.0%	\$8,155,000
K Escalation	10.8%	\$7,190,000
L GMP Buyout Contingency	2.0%	\$1,470,000
TOTAL BID COST IN 3rd QUARTER 2024 BID DOLLARS		\$75,050,000 \$ 916 /gsf
M Owner Purchase Performance Equipment	\$85,000	
N Construction Change Order Contingency	3%	\$2,250,000
TOTAL CONSTRUCTION COST IN 3rd QUARTER 2024 BID DOLLARS		\$77,385,000 \$ 944 /gsf

Net Floor Area	51,142 nsf
Average Grossing Multiplier	1.60
Overall Gross Floor Area	81,955 gsf

New Performance Facility, Waco, Texas
Order-of-Magnitude Program Summary - 1,500 Seat Option

Elemental Summary

May 7, 2021

ELEMENT	Total	\$ per gsf	%
A SUB-STRUCTURE	\$2,733,600	\$33.35	5%
A1.1 Excavation	\$601,600	\$7.34	
A1.2 Foundations	\$1,100,000	\$13.42	
A1.3 Slab-on-Grade	\$601,000	\$7.33	
A1.4 Basement Walls	\$431,000	\$5.26	
B SHELL	\$19,420,800	\$236.97	38%
B1 Superstructure	\$12,705,900	\$155.04	25%
B1.1 Structural Concrete	\$11,086,100	\$135.27	
B1.2 Structural Steel	\$1,569,800	\$19.15	
B1.3 Other Structure	\$0	\$0.00	
B1.4 Miscellaneous Structure	\$50,000	\$0.61	
B2 Exterior Enclosure	\$6,714,900	\$81.93	13%
B2.1 Roofing	\$1,057,500	\$12.90	
B2.2 Exterior Walls	\$3,594,900	\$43.86	
B2.3 Exterior Windows & Curtainwall	\$1,157,500	\$14.12	
B2.4 Exterior Doors	\$255,000	\$3.11	
B2.5 Miscellaneous Exterior	\$650,000	\$7.93	
C INTERIORS	\$9,559,600	\$116.64	18%
C1 Partitions & Doors	\$2,847,500	\$34.74	6%
C1.1 Partitions	\$2,197,500	\$26.81	
C1.2 Interior Doors	\$650,000	\$7.93	
C2 Vertical Movement	\$920,000	\$11.23	2%
C2.1 Stairs	\$530,000	\$6.47	
C2.2 Elevators & Lifts	\$390,000	\$4.76	
C3 Interior Finishes & Fixtures	\$5,792,100	\$70.67	11%
C3.1 Public & Performance Spaces	\$4,675,500	\$57.05	
C3.2 Back-of-House Spaces	\$1,116,600	\$13.62	
D MECHANICAL & ELECTRICAL SERVICES	\$12,853,200	\$156.83	25%
D1 Mechanical	\$7,512,200	\$91.66	15%
D1.1 Plumbing & Drainage	\$1,335,900	\$16.30	
D1.2 Fire Protection	\$547,200	\$6.68	
D1.3 Heating, Vent, Air Cond	\$5,112,600	\$62.38	
D1.4 Controls	\$516,500	\$6.30	
D2 Electrical	\$5,341,000	\$65.17	10%
D2.1 Services & Distribution	\$1,207,200	\$14.73	
D2.2 Lighting, Devices & Controls	\$2,625,200	\$32.03	
D2.3 Systems & Ancillaries	\$1,508,600	\$18.41	
E EQUIPMENT	\$3,687,000	\$44.99	7%
E1 Performance/AV Equipment & Seating	\$3,687,000	\$44.99	7%
E1.1 Performance Equipment & Seating	\$3,687,000	\$44.99	
E1.2 AV Equipment	\$0	\$0.00	
E2 Miscellaneous Equipment	\$0	\$0.00	0%
E2.1 Miscellaneous Equipment	\$0	\$0.00	
F DEMOLITION & TEMPORARY CONSTRUCTION	\$0	\$0.00	0%
F1.1 Demolition	\$0	\$0.00	
F1.2 Temporary Construction	\$0	\$0.00	
G GENERAL REQUIREMENTS	\$3,420,000	\$41.73	7%
G1.1 Equipment & Rentals	\$1,920,000	\$23.43	
G1.2 Project Overhead Items	\$1,500,000	\$18.30	
TOTAL BUILDING ELEMENTAL COSTS	\$51,674,200	\$630.52	100%
GROSS FLOOR AREA	81,955	gsf	
H SITWORKS & UTILITIES			
H1.1 Siteworks	\$1,000,000		
H1.2 Mechanical Utilities	\$135,000		
H1.2 Electrical Utilities	\$130,000		
TOTAL SITWORKS & UTILITIES	\$1,265,000		

New Performance Facility, Waco, Texas

Order-of-Magnitude Program Summary - 1,500 Seat Option

Program Net to Gross Area Calculations

May 7, 2021

Program Space Name		Net Prog	Multi	Gross Sf	Notes
Summary Of Programmed Spaces					
A100	Public Spaces	20,442	1.14	23,225	
A200	Performance Spaces	22,360	1.15	25,770	
A300	Stage Support	1,420	1.14	1,625	
A400	Performer Support	3,080	1.17	3,600	
A500	Multi-Use Room			0	DELETED
A600	Media / Broadcast Studio			0	DELETED
A700	Administrative Offices	3,120	1.10	3,430	
A800	Services	720	1.10	790	
	Total Of Programmed Spaces	51,142	1.14	58,440	
Other Required Spaces					
	Public Circulation/Stairs/Elevators/S&LL's	3,750	1.15	4,315	
	Back-Of-House Circulation			8,650	
	Mechanical And Electrical			7,550	
	Unusable/Inaccessible			2,500	
	Loading dock			500	
	Plenum			0	not included in gfa, incl in cost
	Total Of Other Required Spaces			23,515	
	Overall Total	51,142	1.60	81,955	
A100 Public Spaces					
101	Public lobby	10,500	1.10	11,550	7 sf per seat
102	Auditorium access circulation	4,500	1.15	5,175	3 sf per seat
103	Auditorium sound & light locks			0	in gross
104	Concessions	300	1.10	330	
105	Concessions storage	120	1.10	130	
106	Public restrooms (male)	792	1.25	990	
107	Public restrooms (female)	2,010	1.25	2,515	
108	Public restrooms (family)	140	1.35	190	each at 70 sf
109	VIP Room	1,000	1.10	1,100	
110	VIP catering	200	1.10	220	
111	VIP storage	160	1.10	175	
112	VIP restrooms	240	1.35	325	
113	Front-of-house storage	120	1.10	130	
114	Box office - sales	200	1.10	220	
115	Box office - administration	160	1.10	175	
	Total Public Spaces	20,442	1.14	23,225	
A200 Performance Spaces					
201	Auditorium (with balcony)	15,000	1.15	17,250	
202	Stage and wings	4,500	1.15	5,175	
203	Stage apron	160	1.15	185	45' proscenium opening
204	Stage crossover	800	1.15	920	
205	Orchestra shell tower storage	240	1.15	275	
206	Orchestra pit	720	1.15	830	

New Performance Facility, Waco, Texas

Order-of-Magnitude Program Summary - 1,500 Seat Option

Program Net to Gross Area Calculations

May 7, 2021

	Program Space Name	Net Prog	Multi	Gross Sf	Notes
207	Choral riser storage	100	1.10	110	
208	Stage S&LL's			0	in gross
209	Lighting control booth	120	1.20	145	
210	Sound control booth	120	1.25	150	
211	Followspot booth	210	1.25	265	
212	In-house sound control	160	1.10	175	
213	Dimmer/switch room	150	1.25	190	
214	Sound rack room	80	1.25	100	
215	FOH catwalks (2)			0	in gross
216	Grid			0	in gross (65' to underside of grid)
217	Stage galleries / Catwalks			0	in gross
	Total Performance Spaces	22,360	1.15	25,770	
	A300 Stage Support				
301	Office - production	160	1.10	175	
302	Office - visiting production	120	1.10	130	
303	Backstage restroom (male)	150	1.30	195	3 units @ 50 sf
304	Backstage restroom (female)	150	1.30	195	3 units @ 50 sf
305	Storage - piano	120	1.10	130	
306	Storage - lighting	180	1.10	200	
307	Storage - sound	180	1.10	200	
308	Storage - rigging	180	1.10	200	
309	Storage - musical instruments	180	1.10	200	
	Total Stage Support	1,420	1.14	1,625	
	A400 Performer Support				
401	Performers' lounge / Green Room	500	1.10	550	
402	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
403	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
404	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
405	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
406	15-person dressing room	600	1.20	720	with toilet, sink, shower
407	15-person dressing room	600	1.20	720	with toilet, sink, shower
408	Wardrobe maintenance	350	1.10	385	
409	Laundry	120	1.10	130	
410	Vending	30	1.10	35	
	Total Performer Support	3,080	1.17	3,600	
	A500 Multi-Use Room				DELETED
501	Multi-use room			0	45' x 58' x 24' clear height
502	Sound and light locks			0	in gross
503	Control booth			0	
504	Storage			0	
	Total Multi-Use Room			0	
	A600 Media / Broadcast Studio				DELETED
601	Studio			0	40' x 50' x 24' clear height
602	Engineering / control			0	
603	Equipment room			0	

New Performance Facility, Waco, Texas
Order-of-Magnitude Program Summary - 1,500 Seat Option
Program Net to Gross Area Calculations **May 7, 2021**

Program Space Name		Net Prog	Multi	Gross Sf	Notes
604	Observation space			0	
605	Storage			0	
606	Green Room			0	
606	Changing room			0	
607	Changing room			0	
	Total Media / Broadcast Studio			0	
A700	Administrative Offices				
701	Office - executive director	200	1.10	220	
702	Office - reception and waiting	160	1.10	175	
703	Offices - staff	980	1.10	1,080	
704	Work stations	360	1.10	395	
705	Offices - resident companies	360	1.10	395	
706	Offices - resident companies	280	1.10	310	
707	Work stations - resident companies	360	1.10	395	
708	Conference room	300	1.10	330	
709	Office equipment and supplies	120	1.10	130	
	Total Administrative Offices	3,120	1.10	3,430	

New Performance Facility, Waco, Texas

Waco, Texas

Order-of-Magnitude Program Summary - 1,250 Seat Option

May 7, 2021





New Performance Facility, Waco, Texas
Order-of-Magnitude Program Summary - 1,250 Seat Option

Estimate Summary

May 7, 2021

ITEM	AMOUNT	
A Sub-Structure	\$2,495,000	
B Shell	\$17,370,000	
C Interiors	\$8,655,000	
D Mechanical & Electrical Services	\$11,465,000	
E Performance Equipment & Seating	\$3,580,000	per TCC
F Demolition & Temporary Construction	\$0	
G General Requirements	\$3,155,000	
H Siteworks & Utilities	\$1,365,000	
I Design/Pricing Allowance	10.0%	\$4,810,000
J General Conditions, Overhead & Fee	14.0%	\$7,405,000
K Escalation	10.8%	\$6,530,000
L GMP Buyout Contingency	2.0%	\$1,335,000
TOTAL BID COST IN 3rd QUARTER 2024 BID DOLLARS		\$68,165,000 \$ 924 /gsf
M Owner Purchase Performance Equipment	\$85,000	
N Construction Change Order Contingency	3%	\$2,045,000
TOTAL CONSTRUCTION COST IN 3rd QUARTER 2024 BID DOLLARS		\$70,295,000 \$ 953 /gsf

Net Floor Area	45,655 nsf
Average Grossing Multiplier	1.62
Overall Gross Floor Area	73,770 gsf

New Performance Facility, Waco, Texas
Order-of-Magnitude Program Summary - 1,250 Seat Option

Elemental Summary

May 7, 2021

ELEMENT	Total	\$ per gsf	%
A SUB-STRUCTURE	\$2,496,400	\$33.84	5%
A1.1 Excavation	\$574,000	\$7.78	
A1.2 Foundations	\$950,000	\$12.88	
A1.3 Slab-on-Grade	\$546,500	\$7.41	
A1.4 Basement Walls	\$425,900	\$5.77	
B SHELL	\$17,370,900	\$235.47	37%
B1 Superstructure	\$11,301,500	\$153.20	24%
B1.1 Structural Concrete	\$9,756,700	\$132.26	
B1.2 Structural Steel	\$1,499,800	\$20.33	
B1.3 Other Structure	\$0	\$0.00	
B1.4 Miscellaneous Structure	\$45,000	\$0.61	
B2 Exterior Enclosure	\$6,069,400	\$82.27	13%
B2.1 Roofing	\$947,500	\$12.84	
B2.2 Exterior Walls	\$3,258,900	\$44.18	
B2.3 Exterior Windows & Curtainwall	\$1,000,000	\$13.56	
B2.4 Exterior Doors	\$243,000	\$3.29	
B2.5 Miscellaneous Exterior	\$620,000	\$8.40	
C INTERIORS	\$8,656,300	\$117.34	19%
C1 Partitions & Doors	\$2,650,000	\$35.92	6%
C1.1 Partitions	\$2,037,500	\$27.62	
C1.2 Interior Doors	\$612,500	\$8.30	
C2 Vertical Movement	\$920,000	\$12.47	2%
C2.1 Stairs	\$530,000	\$7.18	
C2.2 Elevators & Lifts	\$390,000	\$5.29	
C3 Interior Finishes & Fixtures	\$5,086,300	\$68.95	11%
C3.1 Public & Performance Spaces	\$4,049,900	\$54.90	
C3.2 Back-of-House Spaces	\$1,036,400	\$14.05	
D MECHANICAL & ELECTRICAL SERVICES	\$11,466,700	\$155.44	25%
D1 Mechanical	\$6,754,700	\$91.56	14%
D1.1 Plumbing & Drainage	\$1,215,300	\$16.47	
D1.2 Fire Protection	\$497,600	\$6.75	
D1.3 Heating, Vent, Air Cond	\$4,576,900	\$62.04	
D1.4 Controls	\$464,900	\$6.30	
D2 Electrical	\$4,712,000	\$63.87	10%
D2.1 Services & Distribution	\$1,087,400	\$14.74	
D2.2 Lighting, Devices & Controls	\$2,287,000	\$31.00	
D2.3 Systems & Ancillaries	\$1,337,600	\$18.13	
E EQUIPMENT	\$3,580,800	\$48.54	8%
E1 Performance/AV Equipment & Seating	\$3,580,800	\$48.54	8%
E1.1 Performance Equipment & Seating	\$3,580,800	\$48.54	
E1.2 AV Equipment	\$0	\$0.00	
E2 Miscellaneous Equipment	\$0	\$0.00	0%
E2.1 Miscellaneous Equipment	\$0	\$0.00	
F DEMOLITION & TEMPORARY CONSTRUCTION	\$0	\$0.00	0%
F1.1 Demolition	\$0	\$0.00	
F1.2 Temporary Construction	\$0	\$0.00	
G GENERAL REQUIREMENTS	\$3,155,000	\$42.77	7%
G1.1 Equipment & Rentals	\$1,755,000	\$23.79	
G1.2 Project Overhead Items	\$1,400,000	\$18.98	
TOTAL BUILDING ELEMENTAL COSTS	\$46,726,100	\$633.40	100%
GROSS FLOOR AREA	73,770	gsf	
H SITWORKS & UTILITIES			
H1.1 Siteworks	\$1,100,000		
H1.2 Mechanical Utilities	\$135,000		
H1.2 Electrical Utilities	\$130,000		
TOTAL SITWORKS & UTILITIES	\$1,365,000		

New Performance Facility, Waco, Texas

Order-of-Magnitude Program Summary - 1,250 Seat Option

Program Net to Gross Area Calculations

May 7, 2021

Program Space Name		Net Prog	Multi	Gross Sf	Notes
Summary Of Programmed Spaces					
A100	Public Spaces	17,455	1.14	19,835	
A200	Performance Spaces	19,860	1.15	22,895	
A300	Stage Support	1,420	1.14	1,625	
A400	Performer Support	3,080	1.17	3,600	
A500	Multi-Use Room			0	DELETED
A600	Media / Broadcast Studio			0	DELETED
A700	Administrative Offices	3,120	1.10	3,430	
A800	Services	720	1.10	790	
	Total Of Programmed Spaces	45,655	1.14	52,175	
Other Required Spaces					
	Public Circulation/Stairs/Elevators/S&LL's	3,125	1.15	3,595	
	Back-Of-House Circulation			8,550	
	Mechanical And Electrical			6,700	
	Unusable/Inaccessible			2,250	
	Loading dock			500	
	Plenum			0	not included in gfa, incl in cost
	Total Of Other Required Spaces			21,595	
	Overall Total	45,655	1.62	73,770	
A100 Public Spaces					
101	Public lobby	8,750	1.10	9,625	7 sf per seat
102	Auditorium access circulation	3,750	1.15	4,315	3 sf per seat
103	Auditorium sound & light locks			0	in gross
104	Concessions	280	1.10	310	
105	Concessions storage	120	1.10	130	
106	Public restrooms (male)	660	1.25	825	
107	Public restrooms (female)	1,675	1.25	2,095	
108	Public restrooms (family)	140	1.35	190	each at 70 sf
109	VIP Room	1,000	1.10	1,100	
110	VIP catering	200	1.10	220	
111	VIP storage	160	1.10	175	
112	VIP restrooms	240	1.35	325	
113	Front-of-house storage	120	1.10	130	
114	Box office - sales	200	1.10	220	
115	Box office - administration	160	1.10	175	
	Total Public Spaces	17,455	1.14	19,835	
A200 Performance Spaces					
201	Auditorium (with balcony)	12,500	1.15	14,375	
202	Stage and wings	4,500	1.15	5,175	
203	Stage apron	160	1.15	185	45' proscenium opening
204	Stage crossover	800	1.15	920	
205	Orchestra shell tower storage	240	1.15	275	
206	Orchestra pit	720	1.15	830	

New Performance Facility, Waco, Texas

Order-of-Magnitude Program Summary - 1,250 Seat Option

Program Net to Gross Area Calculations

May 7, 2021

	Program Space Name	Net Prog	Multi	Gross Sf	Notes
207	Choral riser storage	100	1.10	110	
208	Stage S&LL's			0	in gross
209	Lighting control booth	120	1.20	145	
210	Sound control booth	120	1.25	150	
211	Followspot booth	210	1.25	265	
212	In-house sound control	160	1.10	175	
213	Dimmer/switch room	150	1.25	190	
214	Sound rack room	80	1.25	100	
215	FOH catwalks (2)			0	in gross
216	Grid			0	in gross (65' to underside of grid)
217	Stage galleries / Catwalks			0	in gross
	Total Performance Spaces	19,860	1.15	22,895	
	A300 Stage Support				
301	Office - production	160	1.10	175	
302	Office - visiting production	120	1.10	130	
303	Backstage restroom (male)	150	1.30	195	3 units @ 50 sf
304	Backstage restroom (female)	150	1.30	195	3 units @ 50 sf
305	Storage - piano	120	1.10	130	
306	Storage - lighting	180	1.10	200	
307	Storage - sound	180	1.10	200	
308	Storage - rigging	180	1.10	200	
309	Storage - musical instruments	180	1.10	200	
	Total Stage Support	1,420	1.14	1,625	
	A400 Performer Support				
401	Performers' lounge / Green Room	500	1.10	550	
402	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
403	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
404	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
405	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
406	15-person dressing room	600	1.20	720	with toilet, sink, shower
407	15-person dressing room	600	1.20	720	with toilet, sink, shower
408	Wardrobe maintenance	350	1.10	385	
409	Laundry	120	1.10	130	
410	Vending	30	1.10	35	
	Total Performer Support	3,080	1.17	3,600	
	A500 Multi-Use Room				
501	Multi-use room			0	45' x 58' x 24' clear height
502	Sound and light locks			0	in gross
503	Control booth			0	
504	Storage			0	
	Total Multi-Use Room			0	
	A600 Media / Broadcast Studio				
601	Studio			0	40' x 50' x 24' clear height
602	Engineering / control			0	
603	Equipment room			0	

New Performance Facility, Waco, Texas

Order-of-Magnitude Program Summary - 1,250 Seat Option

Program Net to Gross Area Calculations

May 7, 2021

	Program Space Name	Net Prog	Multi	Gross Sf	Notes
604	Observation space			0	
605	Storage			0	
606	Green Room			0	
606	Changing room			0	
607	Changing room			0	
	Total Media / Broadcast Studio			0	
A700	Administrative Offices				
701	Office - executive director	200	1.10	220	
702	Office - reception and waiting	160	1.10	175	
703	Offices - staff	980	1.10	1,080	
704	Work stations	360	1.10	395	
705	Offices - resident companies	360	1.10	395	
706	Offices - resident companies	280	1.10	310	
707	Work stations - resident companies	360	1.10	395	
708	Conference room	300	1.10	330	
709	Office equipment and supplies	120	1.10	130	
	Total Administrative Offices	3,120	1.10	3,430	

New Performance Facility, Waco, Texas

Waco, Texas

Order-of-Magnitude Program Summary - 1,000 Seat Option

May 7, 2021





New Performance Facility, Waco, Texas
Order-of-Magnitude Program Summary - 1,000 Seat Option

Estimate Summary

May 7, 2021

ITEM		AMOUNT
A	Sub-Structure	\$2,340,000
B	Shell	\$15,405,000
C	Interiors	\$7,725,000
D	Mechanical & Electrical Services	\$10,035,000
E	Performance Equipment & Seating	\$3,475,000 per TCC
F	Demolition & Temporary Construction	\$0
G	General Requirements	\$2,940,000
H	Siteworks & Utilities	\$1,465,000
I	Design/Pricing Allowance	10.0% \$4,340,000
J	General Conditions, Overhead & Fee	14.0% \$6,680,000
K	Escalation	10.8% \$5,890,000
L	GMP Buyout Contingency	2.0% \$1,205,000
TOTAL BID COST IN 3rd QUARTER 2024 BID DOLLARS		\$61,500,000 \$ 939 /gsf
M	Owner Purchase Performance Equipment	\$85,000
N	Construction Change Order Contingency	3% \$1,845,000
TOTAL CONSTRUCTION COST IN 3rd QUARTER 2024 BID DOLLARS		\$63,430,000 \$ 969 /gsf

Net Floor Area **40,168 nsf**
Average Grossing Multiplier **1.63**
Overall Gross Floor Area **65,475 gsf**

New Performance Facility, Waco, Texas
Order-of-Magnitude Program Summary - 1,000 Seat Option

Elemental Summary

May 7, 2021

ELEMENT	Total	\$ per gsf	%
A SUB-STRUCTURE	\$2,338,800	\$35.72	6%
A1.1 Excavation	\$536,200	\$8.19	
A1.2 Foundations	\$900,000	\$13.75	
A1.3 Slab-on-Grade	\$489,500	\$7.48	
A1.4 Basement Walls	\$413,100	\$6.31	
B SHELL	\$15,403,900	\$235.26	37%
B1 Superstructure	\$9,963,800	\$152.18	24%
B1.1 Structural Concrete	\$8,489,000	\$129.65	
B1.2 Structural Steel	\$1,434,800	\$21.91	
B1.3 Other Structure	\$0	\$0.00	
B1.4 Miscellaneous Structure	\$40,000	\$0.61	
B2 Exterior Enclosure	\$5,440,100	\$83.09	13%
B2.1 Roofing	\$847,500	\$12.94	
B2.2 Exterior Walls	\$2,828,100	\$43.19	
B2.3 Exterior Windows & Curtainwall	\$937,500	\$14.32	
B2.4 Exterior Doors	\$231,000	\$3.53	
B2.5 Miscellaneous Exterior	\$596,000	\$9.10	
C INTERIORS	\$7,726,800	\$118.01	18%
C1 Partitions & Doors	\$2,399,300	\$36.64	6%
C1.1 Partitions	\$1,802,500	\$27.53	
C1.2 Interior Doors	\$596,800	\$9.11	
C2 Vertical Movement	\$920,000	\$14.05	2%
C2.1 Stairs	\$530,000	\$8.09	
C2.2 Elevators & Lifts	\$390,000	\$5.96	
C3 Interior Finishes & Fixtures	\$4,407,500	\$67.32	11%
C3.1 Public & Performance Spaces	\$3,421,800	\$52.26	
C3.2 Back-of-House Spaces	\$985,700	\$15.05	
D MECHANICAL & ELECTRICAL SERVICES	\$10,036,800	\$153.29	24%
D1 Mechanical	\$5,956,400	\$90.97	14%
D1.1 Plumbing & Drainage	\$1,094,000	\$16.71	
D1.2 Fire Protection	\$447,500	\$6.83	
D1.3 Heating, Vent, Air Cond	\$4,002,000	\$61.12	
D1.4 Controls	\$412,900	\$6.31	
D2 Electrical	\$4,080,400	\$62.32	10%
D2.1 Services & Distribution	\$966,500	\$14.76	
D2.2 Lighting, Devices & Controls	\$1,948,000	\$29.75	
D2.3 Systems & Ancillaries	\$1,165,900	\$17.81	
E EQUIPMENT	\$3,474,500	\$53.07	8%
E1 Performance/AV Equipment & Seating	\$3,474,500	\$53.07	8%
E1.1 Performance Equipment & Seating	\$3,474,500	\$53.07	
E1.2 AV Equipment	\$0	\$0.00	
E2 Miscellaneous Equipment	\$0	\$0.00	0%
E2.1 Miscellaneous Equipment	\$0	\$0.00	
F DEMOLITION & TEMPORARY CONSTRUCTION	\$0	\$0.00	0%
F1.1 Demolition	\$0	\$0.00	
F1.2 Temporary Construction	\$0	\$0.00	
G GENERAL REQUIREMENTS	\$2,940,000	\$44.90	7%
G1.1 Equipment & Rentals	\$1,590,000	\$24.28	
G1.2 Project Overhead Items	\$1,350,000	\$20.62	
TOTAL BUILDING ELEMENTAL COSTS	\$41,920,800	\$640.26	100%
GROSS FLOOR AREA	65,475	gsf	
H SITWORKS & UTILITIES			
H1.1 Siteworks	\$1,200,000		
H1.2 Mechanical Utilities	\$135,000		
H1.2 Electrical Utilities	\$130,000		
TOTAL SITWORKS & UTILITIES	\$1,465,000		

New Performance Facility, Waco, Texas

Order-of-Magnitude Program Summary - 1,000 Seat Option

Program Net to Gross Area Calculations

May 7, 2021

Program Space Name		Net Prog	Multi	Gross Sf	Notes
Summary Of Programmed Spaces					
A100	Public Spaces	14,468	1.14	16,435	
A200	Performance Spaces	17,360	1.15	20,020	
A300	Stage Support	1,420	1.14	1,625	
A400	Performer Support	3,080	1.17	3,600	
A500	Multi-Use Room			0	DELETED
A600	Media / Broadcast Studio			0	DELETED
A700	Administrative Offices	3,120	1.10	3,430	
A800	Services	720	1.10	790	
	Total Of Programmed Spaces	40,168	1.14	45,900	
Other Required Spaces					
	Public Circulation/Stairs/Elevators/S&LL's	2,500	1.15	2,875	
	Back-Of-House Circulation			8,400	
	Mechanical And Electrical			5,850	
	Unusable/Inaccessible			1,950	
	Loading dock			500	
	Plenum			0	not included in gfa, incl in cost
	Total Of Other Required Spaces			19,575	
	Overall Total	40,168	1.63	65,475	
A100 Public Spaces					
101	Public lobby	7,000	1.10	7,700	7 sf per seat
102	Auditorium access circulation	3,000	1.15	3,450	3 sf per seat
103	Auditorium sound & light locks			0	in gross
104	Concessions	260	1.10	285	
105	Concessions storage	120	1.10	130	
106	Public restrooms (male)	528	1.25	660	
107	Public restrooms (female)	1,340	1.25	1,675	
108	Public restrooms (family)	140	1.35	190	each at 70 sf
109	VIP Room	1,000	1.10	1,100	
110	VIP catering	200	1.10	220	
111	VIP storage	160	1.10	175	
112	VIP restrooms	240	1.35	325	
113	Front-of-house storage	120	1.10	130	
114	Box office - sales	200	1.10	220	
115	Box office - administration	160	1.10	175	
	Total Public Spaces	14,468	1.14	16,435	
A200 Performance Spaces					
201	Auditorium (with balcony)	10,000	1.15	11,500	
202	Stage and wings	4,500	1.15	5,175	
203	Stage apron	160	1.15	185	45' proscenium opening
204	Stage crossover	800	1.15	920	
205	Orchestra shell tower storage	240	1.15	275	
206	Orchestra pit	720	1.15	830	

New Performance Facility, Waco, Texas

Order-of-Magnitude Program Summary - 1,000 Seat Option

Program Net to Gross Area Calculations

May 7, 2021

	Program Space Name	Net Prog	Multi	Gross Sf	Notes
207	Choral riser storage	100	1.10	110	
208	Stage S&LL's			0	in gross
209	Lighting control booth	120	1.20	145	
210	Sound control booth	120	1.25	150	
211	Followspot booth	210	1.25	265	
212	In-house sound control	160	1.10	175	
213	Dimmer/switch room	150	1.25	190	
214	Sound rack room	80	1.25	100	
215	FOH catwalks (2)			0	in gross
216	Grid			0	in gross (65' to underside of grid)
217	Stage galleries / Catwalks			0	in gross
	Total Performance Spaces	17,360	1.15	20,020	
	A300 Stage Support				
301	Office - production	160	1.10	175	
302	Office - visiting production	120	1.10	130	
303	Backstage restroom (male)	150	1.30	195	3 units @ 50 sf
304	Backstage restroom (female)	150	1.30	195	3 units @ 50 sf
305	Storage - piano	120	1.10	130	
306	Storage - lighting	180	1.10	200	
307	Storage - sound	180	1.10	200	
308	Storage - rigging	180	1.10	200	
309	Storage - musical instruments	180	1.10	200	
	Total Stage Support	1,420	1.14	1,625	
	A400 Performer Support				
401	Performers' lounge / Green Room	500	1.10	550	
402	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
403	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
404	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
405	2-4 person dressing room	220	1.20	265	with toilet, sink, shower
406	15-person dressing room	600	1.20	720	with toilet, sink, shower
407	15-person dressing room	600	1.20	720	with toilet, sink, shower
408	Wardrobe maintenance	350	1.10	385	
409	Laundry	120	1.10	130	
410	Vending	30	1.10	35	
	Total Performer Support	3,080	1.17	3,600	
	A500 Multi-Use Room				
501	Multi-use room			0	45' x 58' x 24' clear height
502	Sound and light locks			0	in gross
503	Control booth			0	
504	Storage			0	
	Total Multi-Use Room			0	
	A600 Media / Broadcast Studio				
601	Studio			0	40' x 50' x 24' clear height
602	Engineering / control			0	
603	Equipment room			0	

New Performance Facility, Waco, Texas
Order-of-Magnitude Program Summary - 1,000 Seat Option
Program Net to Gross Area Calculations **May 7, 2021**

Program Space Name		Net Prog	Multi	Gross Sf	Notes
604	Observation space			0	
605	Storage			0	
606	Green Room			0	
606	Changing room			0	
607	Changing room			0	
	Total Media / Broadcast Studio			0	
A700	Administrative Offices				
701	Office - executive director	200	1.10	220	
702	Office - reception and waiting	160	1.10	175	
703	Offices - staff	980	1.10	1,080	
704	Work stations	360	1.10	395	
705	Offices - resident companies	360	1.10	395	
706	Offices - resident companies	280	1.10	310	
707	Work stations - resident companies	360	1.10	395	
708	Conference room	300	1.10	330	
709	Office equipment and supplies	120	1.10	130	
	Total Administrative Offices	3,120	1.10	3,430	

CITY OF WACO CULTURAL FACILITY STUDY



OPERATIONAL PLAN REPORT

Victor Gotesman
Performing Arts Planning



December 2020 - Updated January 2022

Prepared By:

Victor Gotesman & Teresa Koberstein

victor@victorgotesman.com

teresa@victorgotesman.com

TABLE OF CONTENTS

Introduction & Background3
 Study Methodology.....4
 Study Questions to be Resolved4

Community Engagement.....5
 Strategic Partners & Facility Users5

Venue Benchmarking8
 Benchmarked Institutions8
 Best Practices14

Programming Plan.....18
 Waco Performing Arts Center Structural Concept18
 Waco Performing Arts Center Mission & Goals19
 Usage Models.....20
 Program Evaluation23

Business & Operational Plan.....25
 Governance Structure25
 Pro-Forma Financial Estimates.....28

Taxing & Financing33
 Texas Municipal Hotel Occupancy Tax Analysis33
 Other Taxing Initiatives.....35

Conclusions36

INTRODUCTION & BACKGROUND

The City of Waco and Creative Waco have partnered to conduct a feasibility study to explore the viability of the development of a new performing arts center for Waco and the surrounding area. The team conducting the study is led by Keen Independent Research. Victor Gotesman Performing Arts Facilities Planning's (PAFP) role on the team involves business and operational planning for the new venue(s). This portion of the planning process is necessary in order to understand the operational implications and programmatic opportunities that may exist when new venues are developed for Waco. The operational plan is pro forma and assumes a building will be developed and ready to operate sometime in the future, including a post-COVID era.

How a performing arts center is financially structured, governed, staffed, and programmed are key aspects of the planning process. This provides a snapshot into the long-term operational realities of the performing arts center and informs the requirements of process to ensure viability.

Waco, Texas is a dynamic city with several performing arts organizations including the Waco Civic Theatre, Waco Symphony Orchestra, dance studios and the programming emanating from Baylor University. There are many independent artists and a host of other organizations working in non-traditional arts spaces and clubs. Creative Waco is a unifying force within the community and offers a strong advocacy effort for all arts organizations and artists. The community has been in need of and shown interest in identifying performing arts space that can be used by touring attractions, local organizations, and civic groups. Waco's proximity between Dallas and Austin offers a prime tour stop for artists and attractions that route through these major markets. In addition, Waco area residents who currently travel to either Dallas or Austin for cultural events have expressed interest in having performing arts opportunities in the Waco community, eliminating the need to commute to consume the arts.

The current inventory of performance spaces does not provide an adequate performing arts venue or infrastructure needed to support high level programming. The current venues range from the historic Hippodrome to Baylor's Waco Hall, the Masonic Grand Lodge, and the EXTRACO Event Center, to name a few. Each of these existing facilities have limitations or are technically challenged and consist of a seating capacity that makes the venue inappropriate as a performing arts center.

Following the scheduled site visits and interviews with key stakeholders, the City of Waco and Creative Waco leadership, the team narrowed down the facility recommendations based on the discovery phase of the study. This operational plan is based on these recommendations and assumes a new performing arts center with a main auditorium of 1,500-seats, a broadcast/recording center, and a multi-purpose black box space.

STUDY METHODOLOGY

The methodology employed to develop the operational plan began with the Keen team's collective robust community engagement process of interviews, workshops, and Waco facility site visits. This process is coupled with industry standards of best practices of performing arts centers (in a non-COVID environment). In addition, the consulting team conducted a benchmarking study of five communities that have developed performing arts centers in comparable cities across America. The benchmarking study is important to gain insights and learn about best practices from those who have successfully created performing arts facilities in their communities.

The methodology combines this research with proven industry standards which are the basis for the operational plan and financial estimates contained in the study report.

STUDY QUESTIONS TO BE RESOLVED

At the start of the study process, the team poses several questions that are addressed and resolved during the study. These questions are the foundational elements of the operational plan as it pertains to the development of a performing arts facility in Waco.

Study Questions to be Resolved:

- What community needs will be addressed with the development of a performing arts center in Waco?
- Is there sufficient utilization of a proposed facility to warrant its development?
- Does the current infrastructure lack an appropriate facility for the stated needs of the community?
- What are the component parts of a new cultural facility in Waco, such as size and configuration?
- What should the organizational operating plan be for the new facility?
- What is the optimal staffing structure for the facility?
- How will the facility be governed and by what entity?
- What are the financial operating estimates for the anticipated facility?
- Will there be a gap between earned revenue and operating expenses and if so, how will the gap be filled?
- Who (what entity) will operate the new cultural facility in Waco?
- What programs, services and opportunities exist for a cultural facility in Waco?

COMMUNITY ENGAGEMENT

Our study is driven first and foremost by the input from the community, including its citizens and arts patrons, government leaders, arts organization leaders, educators, funders, and business owners. The following is a summary of the most salient points and needs brought up by stakeholder conversations in Waco.

Key Points from Discussions with City of Waco Leadership:

- We want to innovate through an equity lens.
- Connectivity with the downtown core is important and a facility brings the center of gravity back there.
- The need to provide something to potential employers that may create jobs or generate business activity.
- We must diversify the experience for visitors, as well as for Waco residents; however, gentrification is challenging, and we want to keep an eye on that. We want to minimize displacement and make sure our economic policies support that.
- Waco has a ton of fabulous performing arts groups; but there are few avenues for them to be produced or presented.
- Help to improve arts education, starting with young people and offering opportunities for families.
- We are small enough that we can steer the ship and be impactful in what we do.

Key Points from Baylor University & Waco ISD:

- The cost benefit of partnering with the new facility is attractive.
- Need elaborate set room and wing space and fly space for 2-3 story sets.
- Would be really nice to have a venue here in Waco to tie to Austin and Dallas and San Antonio co-productions, along the corridor.
- Creating and managing expectations of usage is important. It would be frustrating if the schools didn't end up having access.
- Must be accessible for all students and not just those with economic means.
- Potential market is huge - a big area in the surrounding areas of lots of people who would come.

Key Points from the Business Community:

- We don't want to be a big city, just want to be the best Waco we can be.
- An arts center would be so beneficial to help us build our community of network employees who might otherwise go to Austin.
- How do we get it to be cutting edge enough yet gritty enough that spouses and friends would be excited about it?

Key Points from Arts Organizations:

- Hippodrome has lots of private events and asks that the new PAC doesn't focus on that. They may be interested in operating a new venue.
- The new venue must include ballet programming.
- Historic African American dance community and Latino arts community should be involved in the process.
- Young people are ready to support the arts.
- Must have diverse community members as part of the process, and programs and classes that celebrate diversity.

Key Points Concerning Funding Opportunities:

- This venture most likely will need an endowment fund.
- Bonding is currently lots of different facilities for different purposes which made lots of people happy in the bundling; but there would be some regulations around having to separate arts and culture in the bond bundle tactic.
- City budget could be a source of seed funding, if the ROI is positive on our community economy.

STRATEGIC PARTNERS & FACILITY USERS

The following chart shows revenue sources of current Waco performing arts organizations as a way of understanding their current capacity to form a new partnership with the Waco Performing Arts Center. This analysis is based on available data as indicated below. The following is a breakdown of the revenue (chart 1) and expenses (chart 2) for the four main arts organizations in Waco, sourced from Guidestar and the organizations' IRS form 990.

Chart 1: Revenue Sources

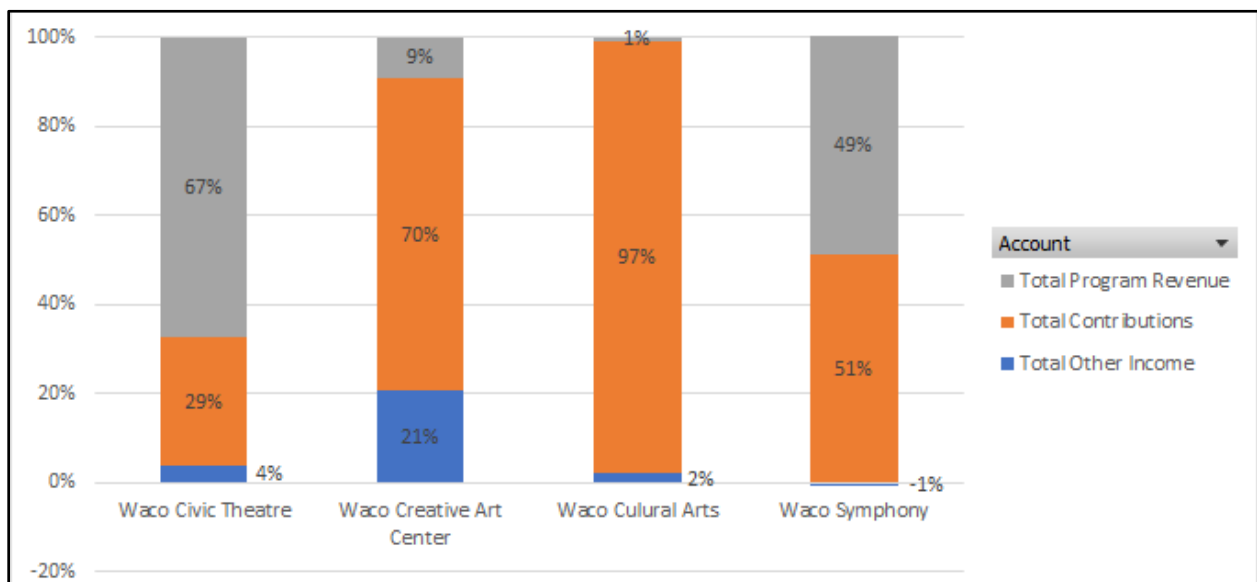
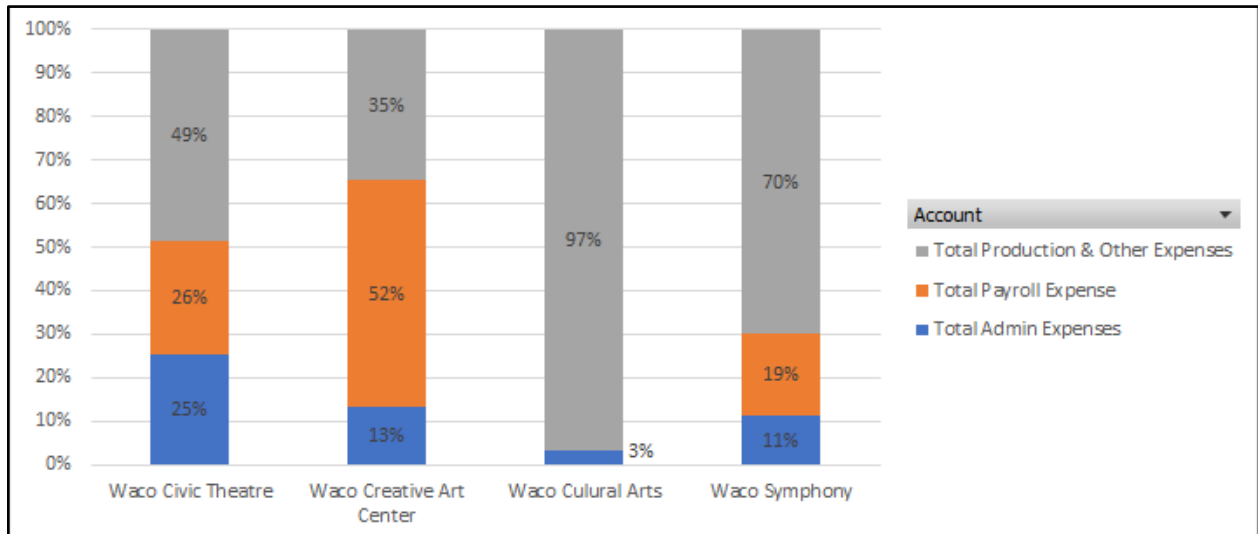


Chart 2: Expense Areas



Several other arts organizations do not have budget sizes that are large enough to require the IRS Form 990. They include, among others:

- Veteran Art Therapy
- Latitude 49 New Music Ensemble
- Wild Imaginings (theatre performance)
- American Theatre Organ Society-North Texas Chapter
- Waco Children’s Theater Inc
- Zephyr Ensemble
- Waco Community Choir
- Youth Chorus of Central Texas
- Allemande Square Clog and Round Dance Association
- Out On A Limb Dance Company

These charts indicate that the four organizations carry relatively low overhead and the majority rely considerably on contributed income to supplement their program revenue in meeting their budget. Fundraising will be a crucial skill set for any potential partner of the new facility, and these organizations show a capacity for development work. That said, there are many more small arts organizations in Waco that would not have the capacity to take on a partner role but may instead enjoy the opportunity to rent the facility on occasion in order to grow their audience and programming.

VENUE BENCHMARKING

As Waco considers developing new performing arts space, the community can gain insight and inspiration from successfully completed projects in similar communities around the country. To that end, the study team has explored five similar-in-size arts complexes which collectively provide Waco leadership a snapshot of the opportunities and challenges of developing performing arts centers.

BENCHMARKED INSTITUTIONS

Sandy Springs Performing Arts Center

<https://citysprings.com/>

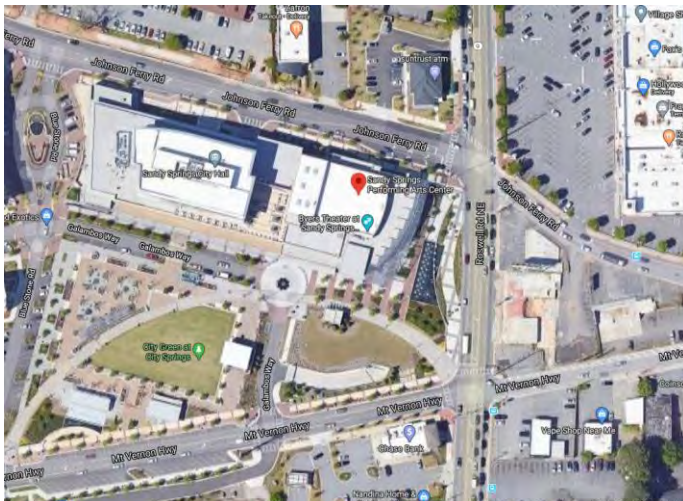
Location: Sandy Springs, Georgia

College or University: Georgia State University: Perimeter - Dunwoody Campus (close to Sandy Springs)

Population: 109,452 (2019 estimate)

Year Completed: 2018

Ownership Structure: Owned and operated by the City of Sandy Springs, GA with City Springs Theatre Company as “Presenting Partner.” The management firm, Spectra, was initially hired to provide venue operations, program marketing, and other services to SSPAC. Recently, the City of Sandy Springs took over full management of the facility because City leadership felt the municipality could create and provide greater operational efficiency.



(left) Aerial image of complex. Source: Google Maps; (right) Image of PAC. Source: www.cityspringstheatre.com

Spaces:

- Byers Theatre: 1,070 seats on three levels with side boxes
- Main Lobby: 6,100 square feet - appropriate for art installations and receptions
- Studio Theatre: 300-350 seats, 5,000 square foot flexible space
- Rehearsal Room: 1,300 square feet
- City Bar – lobby bar
- Park View Lounge – event space
- City Green - an outdoor greenspace of 4 acres used for events and picnics

Background: The Sandy Springs Performing Arts Center (SSPAC) was conceived out of an expressed goal of creating a vibrant downtown center as outlined in the 2012 Sandy Springs City Center Master Plan. The SSPAC is located adjacent to the city’s conference center, which is inside City Hall. The SSPAC is part of a larger public-private mixed-use development budgeted at over \$230 million that includes a new City Hall, a large park, hundreds of apartments, shops and restaurants, and arts spaces. (Special note: Theatre Consultants Collaborative {Robert Long, Principal} was the theater consultant on this project.)

Programming: SSPAC hosted over 500 performances and events during the first year of operation. Programs included Broadway, popular music, resident organization programming (City Springs Theatre Company, The Atlanta Ballet, Roswell Dance Theatre, and the Atlanta Opera), and rentals. The SSPAC also presents performances by nearby organizations such as the Atlanta Symphony Orchestra. In addition, there is an outdoor sculpture garden with plans being developed for an indoor gallery space.

Financial Information: The facility’s annual operating budget is approximately \$5.2 million. The first year of programming and operations required \$2.3 million in city subsidy to cover the gap between revenue and expenses. The City’s expectation is to subsidize the operating budget for five to ten years using the City’s general fund.

The Rudder Theatre Complex

<https://rtc.ucenter.tamu.edu/>

Location: Bryan-College Station, TX

College or University: Home of Texas A & M University

Population: 273,101 (2019 estimate)

Year Completed: 1974

Ownership Structure: The performing arts center (Complex) is on the Texas A & M University campus and is operated by A & M University Center & Special Events (UCEN), a department within the Division of Student Affairs.



(left) Image of Rudder Auditorium. Source: Texas A&M University, (right) Aerial Image. Source Google Maps



Spaces:

- Rudder Auditorium: 2,500 seats (1,500 on the Orchestra Level & 1,000 in the Balcony)

- Rudder Theatre: 750 seats
- The Forum: 250 seats
- Exhibit Hall: 6,000 square foot multipurpose space

Background: The Rudder Theatre Complex (RTC) was constructed to accommodate the growing needs of the Texas A & M University community and its increased student body. Construction on an expansion of the campus that included a new conference center and RTC began in the late 1960's.

Programming: Programming at RTC includes a combination of Broadway productions, popular concerts, classical music, variety shows, movies, lectures, conferences, commencement ceremonies, and recitals. The Exhibit Hall is used for trade shows, career fairs, educational and art exhibits, receptions, and class registrations. Although the facility is located on campus, the public can rent the facilities for community performances and events.

Financial Information: An interview with venue leadership is pending in order to gather financial information as the Rudder Theatre Complex is part of the campus budgeting system.

RiverCenter for the Performing Arts

<https://rivercenter.org/>

Location: Columbus, GA

College or University: Home of Columbus State University

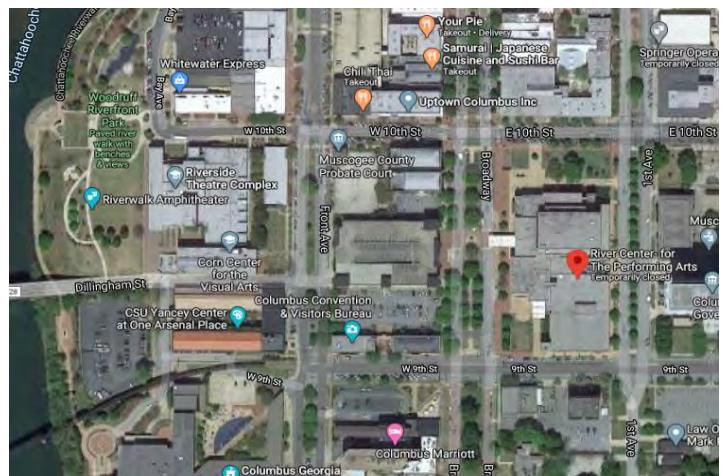
Population: 195,769 (2019 estimate)

Year Completed: 2002

Ownership Structure: The RiverCenter operates as a 501c3 non-profit organization. The facility is owned by the Georgia Department of Natural Resources. It originally was leased to the Downtown Development Authority, and soon after a joint agreement was structured between the University and the nonprofit RiverCenter Inc. The RiverCenter Inc. is responsible for operations and maintenance such as the upkeep of common areas and the main auditorium, managing security and custodial, and supporting events, concessions and overseeing volunteer ushers.



(left) Image of PAC. Source: RiverCenter. (right) Aerial Image. Source: Google Maps



Spaces:

- Bill Heard Theatre, 2,000 seats with Orchestra Level, Mezzanine, and Balcony seating
- Legacy Hall: 430 seats, Concert/Recital Hall
- Black Box Studio Theatre: 150 seats, flexible format

Background: The RiverCenter was conceived and developed as a cultural hub for the region as well as a vehicle to stimulate social, economic, and civic vitality. The venue provides important performance facilities for Columbus State University.

Programming: The RiverCenter for the Performing Arts (RCPA) presents a variety of Broadway productions, symphonic concerts, dance performances, popular concerts, lectures and conferences. As part of its mission to partner with local organizations, the facility is home to the Columbus Symphony Orchestra, Columbus State University's Schwob School of Music, Youth Orchestra of Greater Columbus, the professional chorus Cantus Columbus, and the Columbus Ballet. Resident organizations use the space free of rent, and only pay for phone, internet, and custodial. RCPA also offers robust educational programming in partnership with area schools through ArtsReach and its RiverCenter on the Road series, bringing quality assembly programming into the schools directly.

Financial Information: The RCPA annual operating budget is approximately \$3 million, of which 55% is derived from contributed sources and 45% from earned revenue. The building was funded with a public-private partnership that raised approximately \$128 million for the construction. The RCPA splits costs for maintenance with the University.

Buddy Holly Hall of Performing Arts and Sciences (not yet open) (BHHPAS)

<https://www.lepaa.org/the-buddy-holly-hall-of-performing-arts-and-sciences/>

Location: Lubbock, TX

College or University: Home of the College of Arts & Sciences

Population: 258,862 (2019 estimate)

Opened January 2021

(left) Image of PAC. Source: LEPA.org. (right) Aerial Image. Source: Google Maps



Ownership Structure: Owned by 501c3 nonprofit Lubbock Entertainment and Performing Arts Association (LEPAA), formed for the purpose of raising funds to design and construct the facility. Operated by ASM Global, the venue management company with multiple venues throughout the United States.

Spaces:

- Helen DeVitt Jones Main Theater: 2,200 seats on four levels including VIP Lounges
- The Crickets Studio Theater: 425 seats, a 24,225 square foot facility designed for Lubbock ISD with concession areas, lounges, and a dedicated lobby and private entrance
- Ballet Lubbock Pre-Professional Academy: a 22,000 square foot dance center complete with offices and storage space
- Multipurpose Event Room: 6,000 square feet
- 2,500 square foot commercial kitchen
- Main Lobby which can accommodate up to 300 people for receptions and banquets

Background: The Buddy Holly Hall of Performing Arts and Science (BHHPAS) facility is being developed as part of a strategy to revitalize downtown Lubbock and to enhance the area's economic impact. The plan for the facility's future includes providing programming for families, entrepreneurship opportunities, and the retention of college graduates and other young professionals in Lubbock after completion of their education.

Programming: The operating entity plans to present a variety of Broadway shows, concerts, comedy attractions, and family programming throughout the year. The plan is to provide as many as 344 days per year of programming. The BHHPAS will also be home to Ballet Lubbock, the Lubbock Symphony Orchestra and Lubbock ISD Visual and Performing Arts.

Financial Information: The construction budget for Buddy Holly Hall is \$153 million. Leadership envisions creating up to thirty-six new jobs at the venue. A capital endowment, as well as innovative partnerships with local arts organizations, public schools, universities, and private corporations will allow The Buddy Holly Hall to be financially self-sustaining upon its opening.

Hult Center for the Performing Arts

<https://hultcenter.org/>

Location: Eugene, OR

College or University: Home of the University of Oregon

Population: 178,329 (2019 estimate)

Year Completed: 1982

Ownership Structure: Owned and operated by the City of Eugene's Cultural Services Division as part of the City's Library, Recreation and Cultural Services Department. The Hult Center reports to the City Manager and City Council.



(left) Image of PAC. Source: Wikipedia, (right) Aerial Image. Source: Google Maps

Spaces

- Silva Concert Hall: 2,448 seats
- Soreng Theater: 496 seats
- The Studio: 200 seats
- Jacobs Community Room

Background: The Hult Center was developed and built as part of the City's strategy to boost the local economy. The genesis for the facility can be traced to a community-wide campaign by the Lane County Auditorium Association, which worked to raise the necessary funds to support two voter ballot measures for the facility's development. The Association would receive credit for raising public interest and is credited with clarifying, for the public, how a performing arts center could be a cultural cornerstone for the community. That awareness was considered vital to passing the 1978 bond initiative.

Programming: The Hult Center presents Broadway, music, literary arts, comedy, community rentals and events, visual arts, and more. Resident organizations include Ballet Fantastique, Eugene Ballet Company, Eugene Concert Choir, Eugene Opera, Eugene Symphony, Oregon Bach Festival. Resident companies at the Hult Center must satisfy a minimum number of performances and audience attendance requirements. In return, they enjoy certain priority scheduling privileges, hall rental discounts, and the ability to apply for funding from the Hult Endowment. More than 700 events and performances take place each year. Facilities are available for expanded cultural opportunities, compatible community events and conference activities.

Financial Information: The community voted for and passed a measure to fund the construction of the facility with an \$18.5 million bond. The Hult Center is not a part of the general fund, but instead has its own sub-fund. Revenues include the hotel tax in addition to earned income. Budget is between \$8-\$9 million. Contributed source is transient room tax only and the rest is 70% earned to 30% tax subsidy.

BEST PRACTICES

In researching the benchmarked organizations, several practices regarding community access, building operations, and the ways in which operators and resident organizations collaborate with the government were revealed. Although the circumstances that enable success for each facility and their resident organizations vary greatly from community to community and thus are not necessarily replicable, the examples below can serve as inspiration for the development of a new venue in Waco. Specifically, the following areas of inquiry were discussed at length with each:

Operations Structure

Operations and governance structures among the benchmarked institutions are unique and vary widely. The following is a recap and breakdown of each option, along with thoughts from the institutions on how well each has worked:

Sandy Springs Performing Arts:

- **Structure:** Government owned and operated by the City of Sandy Springs, Georgia, with City Springs Theatre Company acting as “Presenting Partner.”
- **Taxing/Financing:** Public-private partnership funded the construction, and the City subsidizes the budget shortfall.
- **Biggest Challenge?** Originally the City hired Spectra to handle programming and presenting, but after a short time the City, as a means to create and provide greater operational efficiency, brought operations back within the city government and cut ties with Spectra.

Rudder Theatre Complex:

- **Structure:** University owned by Texas A & M and operated by A & M University Center & Special Events (UCEN), a department within the Division of Student Affairs.
- **Taxing/Financing:** The facility is financed and operated through the university, and fees from student tuition along with earned revenue from ticket sales fund the facility.
- **What makes it work?** The structure is unique from any other university in that the facility is run by a combination of staff/student advisors and student employees, where students are central to crafting the presenting and programming plan, as well as managing the booking process and hospitality. This is an incredibly successful way to involve academics and provide learning opportunities for students.
- **Biggest Challenge?** It is challenging to attract touring productions to Rudder because they are playing the larger markets instead.

RiverCenter for the Performing Arts:

- **Structure:** Government owned, by the Georgia Department of Natural Resources, and operated by the 501c3 non-profit organization The RiverCenter Inc. A joint agreement with the City was structured in collaboration between the Columbus State University and RiverCenter Inc, where major maintenance and capital improvements expenses are split evenly between them.
- **Taxing/Financing:** Not in the general fund. The City pays 1 penny of the Hotel/Motel Tax.

- **What makes it work?** The key to lifting an endeavor such as this is the strong relationship with the State of Georgia, which contributed significantly to the capital campaign, and the City, which contributes 1 penny hotel/motel tax that accounts for 16% (or \$650k) of revenue.
- **Biggest Challenge?** The energy that enveloped the community during the conception and construction of the facility tends to wane as the years pass and as people forget the incredible effort that brought this facility to life. It's important to remind the community of how the facility has made a deep economic and artistic impact over the years.

Buddy Holly Hall:

- **Structure:** 501c3 nonprofit owned (LEPAA), formed for the purpose of raising funds to design and construct the facility. Operated by ASM Worldwide, a venue management company with multiple venues throughout the United States. Resident organizations have a generous 198-year lease agreement. LEPPA manages fundraising, contract execution, operations pro forma, and relationships with the resident organizations. ASM is the day-to-day facility contact and presenter.
- **Taxing/Financing:** The City of Lubbock contributed land of the former Department of Public Transportation, which is being rebuilt by the City in another location, and LEPAA agreed to raise capital funds to build the facility. ASM and LEPAA created a profit-sharing structure to share risk of the facility budget, and an additional food vendor operates and manages the budget for all catering, concessions, and restaurant. The team organized a consortium of local banks to craft a construction loan. New Market Tax Credit opportunities bridge the funding gap between the loan, donors, and capital raised by the resident organizations (Ballet Lubbock, a \$500k organization, raised \$10 million) as part of their lease agreement. Lubbock ISD signed a 188-days per year contract, which brings income and substantial activity to keep the space operating.
- **What makes it work?** The political will of the community and extraordinary support of foundations and individuals helped to make Buddy Holly Hall become a reality. In the wake of feeling left out of the State of Texas arts report, community pride spurred some action and the feeling of wanting to prove resilience. ASM has been a crucial and collaborative partner. LEPAA engaged ASM from the beginning to assist with planning and construction, and to build key relationships with national promoters for three years before opening its doors. Resident organizations can rent out their space or sublet as they see fit, so the long term financial risk is reduced.
- **Biggest Challenge?** The budget originally anticipated a \$1 million shortfall, which was eventually funded with the creation of an operations endowment by the foundation. Since the political environment for special taxing proved difficult, the capital campaign and the annual budget are funded solely by earned income and significant donor contributions.

The Hult Center for the Performing Arts:

- **Structure:** Government owned and operated by the City of Eugene's Cultural Services Division as part of the City's Library, Recreation and Cultural Services Department, The Hult Center reports to the City Manager and City Council.
- **Taxing/Financing:** The Hult is funded via the Sub-Fund in the City of Eugene, and the Hotel/Motel Tax that brings in 30% of the revenue.
- **What makes it work?** The City has a robust system for HR and facility maintenance support which relieves operational pressure from the Hult Center.
- **Biggest challenge?** As with any government entity, bureaucracy adds an additional layer of complexity that can be challenging to navigate.

Collaboration with University

Two of the institutions we spoke with had strong ties with a local university: the Rudder Theatre Complex is owned and operated by Texas A&M and the Hult Center occasionally partners with the schools of Music and Dance at the University of Oregon. For the Rudder Theatre, their unique operational structure is academically driven, providing employment and training to students who are responsible for guiding the facility by handling executive level operations that are overseen by advisors. This investment in education yields long-term benefits with high retention rates and proficiency in facility management. Many current Rudder employees are alumni of the university.

The Hult Center has worked with several university student interns and is currently partnering with the University's Schools of Music and Dance as part of a cost-sharing licensee consortium with Tessitura, fundraising and ticketing system. Both institutions recommend maintaining strong university relationships and crafting creative ways to provide skill-building training for students.

Operating During COVID-19

The institutions are all weathering the pandemic in similar ways by closely following global health and safety guidelines. This includes scaling down capacity to one-third their current seat count, offering live streaming instead of in person performances, and offering their venues to outside users for little or no rental fee or for a pay-what-you-can donation. Facilities recognize the importance of maintaining the relationship with patrons through the crisis with limited programming, verses closing down completely, in order to salvage the ties with the community once reopening is possible. Performance spaces with large seat counts can also be used for university academics and lectures, as classroom spaces have limited capacity. Proper ventilation and air filters become crucial to maintaining safety in indoor spaces, such as theatre venues and lobby spaces.

How are venue operators addressing the needs of access for the community?

Maintaining close and strong relationships with the community is crucial for many of the benchmarked institutions. Many of them partner with local groups or media to co-present productions. In cases where the schedule is too full or wrong-sized to fit a rental request, rental managers lean on their strong ties to other local facilities to refer rental requests on to them. This helps to bolster the other spaces in the community and disperse the rental economy widely. Establishing a cooperative reciprocal relationship between venues in the community is key to ensuring that the new facility does not negatively impact the facilities in the community that rely on rental revenue. In the case of LEPAA and the Buddy Holly Hall in Lubbock, that also means renting out spaces around the community for smaller programming, such as songwriters retreats and other small showcases, and even partnering with local facilities on funding proposals for co-productions.

In some cases, the importance of hosting mission-aligned users ensures that critical community programming has priority over private events. This is true for the Rudder Theatre as its facility is student-run. Off-campus groups submit proposals through a sponsorship process to ensure all rentals and programs are academically centric.

How does your facility's seating capacity serve your programming and audiences?

The issue of seating capacity is an institutional focus and is based on attention being paid to the patrons' total experience "from the curb to the back wall of the theatre," says a representative of the RiverCenter. They tout the importance of allowing food and drink in the seated venue area and designing lobby spaces with ample room for patrons to socialize. Three of the institutions expressed the need for a 1200-1500 seat theatre in addition to the 2000+ seated hall they already own. For Broadway productions, however, the larger venue is useful in order to meet bottom line expenses with revenue generated through ticket sales. Institutions also manage audience size variations by activating some seating sections while keeping other sections closed-off. As a way of providing diversified rental income, institutions recommend incorporating several multi-purpose spaces in the facility construction, where multiple renters can access the space at the same time.

Programming

Each institution handles programming in different ways. Whether it's student run, institutionally run, or created by an outside agency such as ASM Worldwide, programming reflects the mission of the organization and the needs of the marketplace. Programming emanates from a comprehensive approach which includes all arts center departments. Adventurous and commercial programming options are considered, and, in most cases, the result is a mix of performance options that are diverse and marketable. Resident organization programming is often included in an arts center's performance schedule. Generally, resident organizations have access to the calendar first and select dates for approximately two years in advance allowing the venue to then fill in dates with bookings and rentals from outside users.

PROGRAMMING PLAN

Developing an artistic programming agenda will depend upon the venue's seating capacity, its operator, and the community partners in support of the concept. The following section explores the structural concept which includes seating capacity, as well as various artistic programs and community uses that can activate the venue.

WACO PERFORMING ARTS CENTER STRUCTURAL CONCEPT

After careful consideration of the benchmarked institutions' operation models, the City of Waco and the Project Team chose to move forward with a structural model that incorporates a nonprofit owner, as well as either a venue management company or the nonprofit owner/operator to run the facility.

The facility will include the following spaces:

Space Type	Seating Capacity	Format
Performance Space	1500	Proscenium format with balcony
Multi Use Room	200	Teaching/Rehearsal/Performance
Media/Broadcast Studio	150	Acoustically fine recording studio
Gallery Spaces	NA	Art gallery in lobby and common areas
Administrative Space (Owner & Operator)	15	8 Offices / 6 Workstations
Administrative Space (Resident Orgs.)	6-10	4 Offices / 6 Workstations

The following expands upon these spaces and how they might be used.

- **Performance Space:** The performance space will include a proscenium theater configuration with orchestra pit and have the flexibility to be reconfigured into different formats to accommodate different arts forms and a diverse mix of arts groups and non-arts organizations that can use the performance space for performance activities. This can include theater productions, dance performances, concerts, recitals, amplified music, lectures, film screenings, and special events. The performance space may also be used as a function space to accommodate weddings, private parties, and other non-performance events. This would be the largest public assembly space in the building.
- **Multi Use Room:** The smaller multi-use space serves as a second performance space and can be used for rehearsals or for smaller productions such as staged readings, speakers or meetings. It can also be used as a teaching space, especially suited for dance or theater classes. Ideally, the space can have the flexibility to support all art forms and instruction.
- **Media/Broadcast Studio:** The media/broadcasting studio can be utilized for recording or presenting media, broadcasts, meetings, and conferences.
- **Exhibit/Gallery Space:** A space for visual artists to exhibit their work, this space could be configured in various forms, such as dedicated walls and surfaces around the lobby and other common areas of the facility.

- **Administrative Offices:** The proposed facility will include approximately 6-10 workstations for resident organizations and 15 workstations for the administrative staff. These workstations can be configured in several different ways, including combining all organizations into one open-plan space with cubicles for the resident organizations, or any other combination depending on the budget and the desired vision for the administrative environment. Workstations should not be relegated to the other multi-use or performance spaces. Ultimately, the layout for these spaces will be determined by the architect and theater consultant.

The addition of a new arts facility in Waco will naturally include operational and artistic opportunities and challenges for all stakeholders. The Waco Performing Arts Center will provide an array of assets and opportunities for the community. It is important to link the artistic (programmatic) and educational goals with an achievable and sustainable financial model. As important planning decisions are needed, the following opportunities and challenges should be considered.

Opportunities

- Increased arts and cultural activities in Waco (cultural enhancement)
- Employment opportunities
- Community revenue driver
- Professional development opportunities for local students, artists, and arts organizations
- New opportunities for Waco's diverse ethnic community to share their cultural offerings with the public
- New spaces for children and families to participate in the arts
- New spaces for youth to participate in the arts after school
- Ability to provide affordable performance and rehearsal space in Waco to many smaller arts groups from the region

Challenges

- Identifying a qualified facility owner and operator with programming experience to activate the goals of the facility
- Establishing a philanthropic program for the facility to cover the operating expenses and to fulfill the annual budget requirement
- Maintaining an active calendar of events
- Creating a programming network for touring productions
- Creating an equitable and inclusive use policy that will allow access for a diversity of users
- Establishing and implementing methods for measuring the impact of the facility on Waco artists and the community overall

WACO PERFORMING ARTS CENTER MISSION AND GOALS

Activating the Waco Performing Arts Center will require that the nonprofit owner develop a mission that outlines the operational intent of the new arts center. In addition, there is a need to identify short- and long-term goals for the facility which will help to measure success. The arts center's mission will provide

clear direction, allowing the operator to build capacity and position the center as a force in overall community development. Importantly, the mission and goals should ensure that Waco's diverse community has an equal opportunity to access space and participate in arts and cultural offerings in the arts center.

After reviewing the missions of the benchmarked institutions and drawing inspiration from them, the following is a potential mission statement:

The Waco Performing Arts Center's mission is to present the world's finest performing artists and productions and to support the Waco community through its ample facility resources; developing, engaging, and enlightening audiences; initiating and supporting local performing artists; and providing artistic, educational, technical, human, and physical resources to the Waco community and the people of Texas.

Informed by the opportunities and challenges outlined in the previous section, below are several goals for activating the new arts center in the areas of marketing, programming, the development of rental program, community outreach, and fundraising:

Goals

- Identify facility owner and operator
- Solidify implementation plan with facility operator, and identify resident organizations
- Create an equitable and inclusive process for outside users to access and rent space
- Begin the marketing process by announcing the availability of spaces for rent, targeting nonprofits, community groups, private individuals, and other entities in need of cultural space
- Utilize a network of arts educators to help create programming for young people
- Brand and market the new arts center to the Waco community and beyond, using social, digital and print media
- Maintain a direct connection with the greater creative community, keeping them involved and engaged in the process
- Create a work-study program in partnership with Baylor University to assist with student development and education
- Build and maintain healthy relationships with arts organizations to ensure coordinated programming efforts
- Establish a policy of diversity, accessibility & inclusion goals for all areas of the PAC

USAGE MODELS

In order to understand potential space utilization for the new arts facility in Waco, the study team analyzed the usage projections from potential Waco users, as well as the consideration of an internal presenting program. The model contains a usage percentage required in order to maintain the level of rental revenue necessary for bringing in enough revenue to support the budget, while also cultivating a vibrant facility. The chart below illustrates how the usage might occur in the arts center.

Included are the usage days by space type (performance space, multi-use space, media/broadcasting studio, and public lobby space) for various kinds of uses. These include performances, rehearsals, internal programming events and workshops, and special events.

USAGE & RENTAL REVENUE MODEL					
Rental Rates Per Day	Resident	Nonprofit		Commercial	
Spaces	Performance	Performance	Rehearsal / Non Ticket	Performance	Non Ticketed Private Event
Performance Space	\$ 3,000	\$ 3,000	\$ 1,000	\$ 5,000	\$ 3,000
Multi-Use Room	\$ 1,000	\$ 1,000	\$80/day or \$20/hr	\$ 2,000	\$ 2,000
Public Lobby	NA	\$ 2,500		\$ 4,500	\$ 4,500
Recording Studio	\$80/day or \$20/hr	NA	\$80/day or \$20/hr	NA	\$ 500
Performance Space Usage	Performance	Rehearsal	Non Ticketed Events	Totals	Usage %
Internal Use					
Waco PAC Presents	12			12	
Non-Use: Repair & Maintenance			14	14	
Non-Use: Holidays			7	7	
Total Internal Use	12	0	21	33	9%
Resident Organizations					
Waco Symphony	5	10		15	
Waco School/ ISD	5		5	10	
<u>Baylor University</u>				0	
Musical Theatre	28	14		42	
Opera	21	10		31	
Film	2			2	
Guest Artists	25			25	
Special Events		2	5	7	
Total Resident Org Use	86	36	10	132	36%
Total Resident Org Income	\$258,000	\$36,000	\$10,000	\$304,000	
Community Renters					
Convention Center & Vistor's Bureau	5			5	
Civic Theatre	28	10		38	
Dance Recitals	25	10		35	
Other Nonprofit Rentals	15	12	0	27	
Other Commercial Rentals	10		5	15	
Total Community Use	83	32	5	120	33%
Total Community Use Income	\$269,000	\$32,000	\$15,000	\$316,000	
TOTAL PERFORMANCE USE DAYS	181	68	36	285	78%
Other Spaces	Nonprofit Performance	Nonprofit Rehearsal	Commercial / Private	Totals	Usage %
Multi-Use Studio	20	10	15	45	
Lobby			20	20	
Recording Studio		20	20	40	
Non-Use: Repair & Maintenance				14	
Non-Use: Holidays				7	
Total Other Spaces Use	20	30	55	126	35%
Total Other Space Use Income	\$20,000	\$2,400	\$130,000	\$132,400	
TOTAL RENTAL INCOME	\$547,000	\$70,400	\$155,000	\$772,400	

Waco Performing Arts Center programming can be designed in different ways and can be managed by the nonprofit owner and operator or in a collaboration between the nonprofit owner and venue management company. A new arts center presents an opportunity for increasing arts and entertainment offerings, advancing arts education, and stimulating workforce development in Waco. Here are some examples of each:

- **Waco Performing Arts Center presenting program** will be a driving force in increasing the cultural vibrancy and entertainment opportunities in Waco. The programming can include a roster of guest artists from around the world, including Broadway touring productions, headline artists, performing arts companies, comedy acts, music ensembles, opera productions, country artists, pop artists, guest lectures, and other touring performance companies. This program can be managed by the venue management company, or internally if the venue management company model is not chosen.
- **An arts education program** offers opportunities for the community to participate in programs for families and young people. Such a program can be folded into the presenting program through performances geared to young audiences. In addition, the arts center can choose to provide teaching artists opportunities in the development of classes for all ages. Including arts education into the arts center's programming helps to fulfil the organization's mission and goals.
- **Incorporating Work-Study staff positions** into the new facility administration and production staffs will provide meaningful opportunities for university students to develop careers in performing arts administration, production and operations. Offering employment opportunities for students expands the potential performing arts workforce while also reducing student flight to other cities after graduation. For example, Texas A & M can boast considerably low turnover within its performing arts center, as university students opt to remain and grow their careers through the ranks of the performing arts center's administrative and production teams after graduation.

Rentals from Resident Organizations

Resident organizations would identify the Waco Performing Arts Center as their performance and administrative home. Resident organizations' rehearsal and performance schedules would be prioritized before those of outside users. Selecting resident organizations for the Waco Performing Arts Center should consist of a community-wide process that is inclusive and include organizations with the greatest space needs and those that will thrive in a new performing arts center. Resident organizations may also wish to utilize the arts center for administrative office space in addition to their performance needs.

Waco Symphony: The Symphony currently uses Waco Hall on the Baylor campus. The Hall is too large for most of the Symphony's programs and Waco Hall is becoming less available to the Symphony. Utilizing the new arts center would allow the symphony the ability to plan for a future of expanded programming and an enhanced audience experience.

- **Waco ISD:** The school district is interested in deepening its arts participation curriculum via a new performing arts center.

- **Baylor University:** Several of Baylor’s departments have expressed interest in utilizing a new venue to expand their programming opportunities.

Rentals from Other Users

During the study process, the team also identified potential facility users that have expressed an interest in using performing arts center space. Rentals include space for performances, meetings, classes, rehearsals and special events. Rentals will increase the utilization of all spaces within the performing arts center; a plurality of users will bring the space to life, as well as increase income which supports the building’s operational budget. Access for users to rent the space will assist in meeting the mission of the performing arts center to serve the Waco community by expanding arts activity.

Strategic Partnerships

In addition to rentals and resident organizations, there are other potential partners that may be critical to the success of the new Waco Performing Arts Center. These strategic partners may not be users, although they may use the space occasionally but are advocates, sponsors, and sources for enhanced programming. Developing relationships with the arts organizations listed below will help ensure there is a coordinated city-wide programming plan which will provide the new arts center to program by filling a gap in current and future offerings. Creating a Waco performing arts facility infrastructure will provide opportunities for collaboration and shared resources. Some examples of potential strategic partnerships are:

- Creative Waco
- Convention Center
- Local restaurateurs
- Magnolia

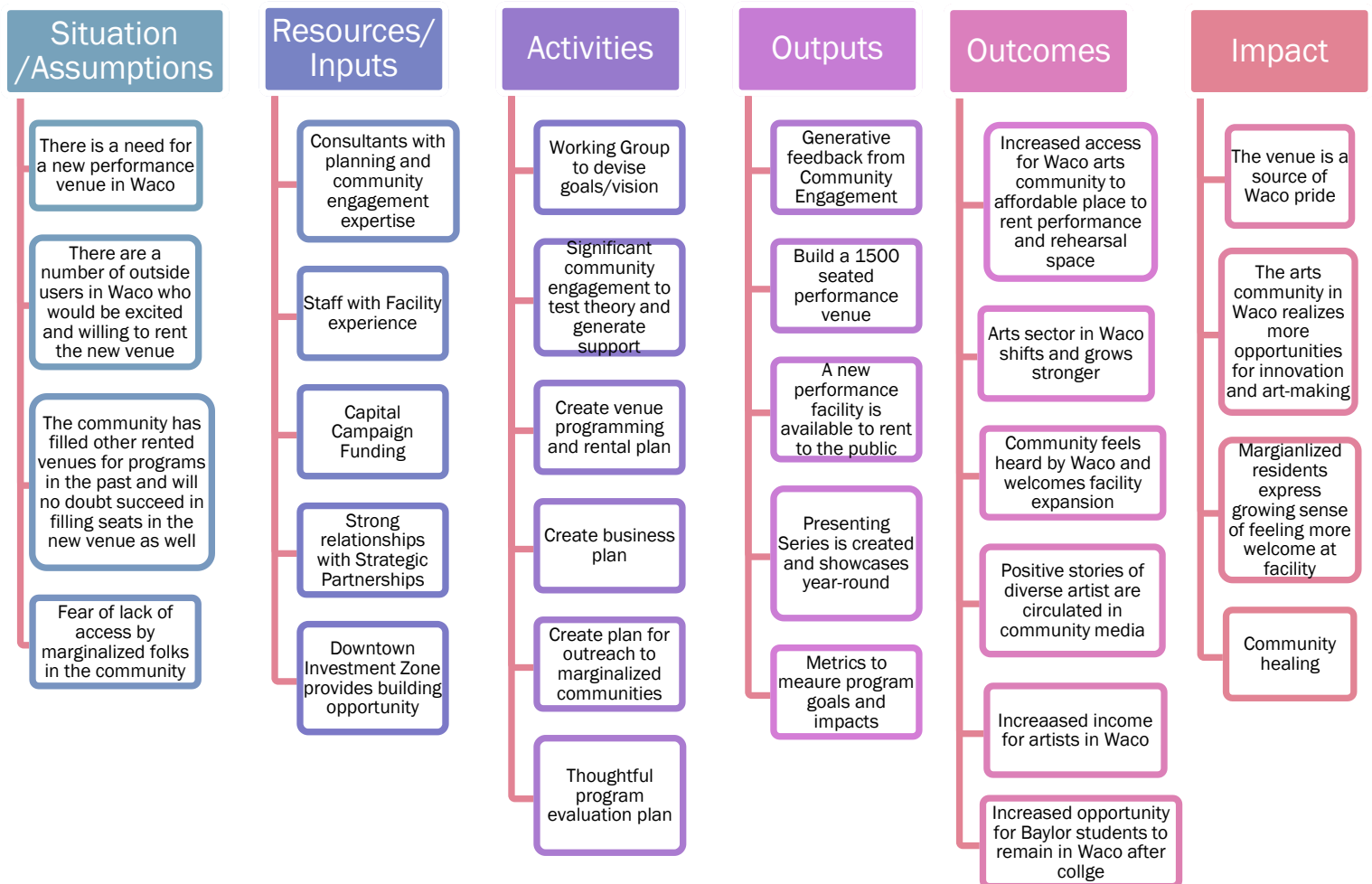
PROGRAM EVALUATION

A program evaluation plan will be helpful in measuring a variety of success factors that the organization anticipates and judges important to the successful accomplishment of its mission. Performing arts facilities operations are challenging to measure, however there are models that exist that measure key indicators which are established at the outset of the facility’s operation and public programs. As an example, *Leveraging Investment in Creativity* (LINC) established for the purpose of arts space development research published a report outlining several indicators for success from which a new performing arts facility in Waco can draw. Another is *Arts Space Development: Making the Case*, by Maria Rosario Jackson and Florence Kabwasa-Green, which was published by the Urban Land Institute in 2007. It recommends that program evaluation plans consider three main categories:

- Space availability and infrastructure
- Artists’ careers and professional development
- Artists’ relationships to the broader community

Performing Arts Facilities Planning suggests creating methods for collecting data in these three areas at the start of each program area. Data collection can then be integrated within the program development at the outset and will offer a smoother process for data collection and avoids having to retroactively engineer the evaluation process. Data collection can involve distributing surveys to participants to collect data along with their comments regarding the ways in which the programs at the performing arts center can serve their professional and programmatic needs, and how, over time, the arts community in Waco is affected.

Below is a sample of how this might play out using a theory of change tool for testing and evaluating the efficacy of the strategic initiatives. This theory is in draft form, to be used for generating conversations with the Working Group and with the community. It will need to be revised throughout the discovery process and tested for alignment with the facility goals. Some questions to consider are: Are these assumptions accurate? Are the desired outcomes achievable and are any important impacts missing? Do we need to focus on one strategy at a time and save other strategies for later iterations, and if so, which strategy(s) is the most important to focus on first?



BUSINESS & OPERATIONAL PLAN

The development of a new performing arts facility in Waco is a vision that extends beyond design and construction. The vision is one of a facility with a performance and educational mandate that fills an existing need in Waco and the surrounding area, providing professional production opportunities for the growing and diverse community, as well as a bold new array of arts and entertainment offerings. The organizational structure of a new arts facility will provide the foundation for Waco's vision, and can be realized through operational integrity, professional staffing, effective policies, and entrepreneurial financial planning.

GOVERNANCE STRUCTURE

As previously described, the two structural models that the City of Waco is considering incorporate a nonprofit owner as well as either an alternative commercial venue management company or the nonprofit owner to operate the facility. The governance structure for each of these models will require specific core competencies from the nonprofit owner, as well as from the operating entity should an additional management company be selected. The purpose of outlining these areas of responsibility is to both demystify how these models could be structured, and to offer guidance to the City of Waco as it begins the process of identifying the best suited structure. These core competencies will be crucial for selecting an appropriate and capable owner and operating entity. Below is a list of those core competencies per entity:

Core Competencies Required for the Owner:

- **Building Project Financing:** Working with the City to incorporate financing models, such as bonds and tax credits, into the budget projections. This includes developing a budget with hard and soft costs for the new building.
- **Building Project Management:** The project components for building the facility, including decisions concerning the physical space program, maintaining the budget, and managing the project timeframe.
- **Community Consensus Building:** The owner should disseminate information pertaining to the project to the public and manage messaging as a means to build consensus and understanding within the community.
- **Strategic Planning:** The vision for the short- and long-term success of the new facility will be the responsibility of the owner, manager and operator. Strategic planning at the outset is recommended. This establishes goals, milestones and measurements for progress and success.
- **Maintenance:** It is envisioned that the owner will be responsible for the maintenance of the new facility and physical plant (core and shell).

Core Competencies for Operating Entity:

- **Performing Arts Facilities Management:** Internal management of the operation and overall responsibility for the oversight of the resident organizations and outside users is the responsibility of the Operator. The Operator will be the primary contact with the owner, as well as the chief artistic administrator of the facility, implementing policies and procedures.

- **Arts and Arts Education Programming Development and Production:** As the Operating Entity, programming will be central to the Operator’s responsibilities. This includes inviting guest artists to perform.
- **Customer and Stakeholder Engagement:** The Operator will be required to engage with the community at all points of participation as artist, arts organization, student, patron, and attender to engender community support.
- **Box Office & Ticketing:** Ticketing for events and productions will be managed by the Operator, including integrating the ticketing with a donor database so that all patron details are consolidated into one application.
- **Marketing & Branding:** Skills in marketing and branding the new facility will be crucial in carrying out the vision for programming and space rental program in order to drive sales and serve the arts community through an inclusive process central to the market strategy.
- **Entrepreneurship:** The growth of the facility as an arts business will land on the shoulders of the Operator in partnership with the owner. Skills in expanding the business model and applying a flexible approach to the changing needs of the market and arts community will be needed.
- **Philanthropy:** A robust fundraising plan should be developed during the building planning process and must be a key responsibility of the operator in concert with the resident organizations and the arts community.
- **Program Evaluation:** A mechanism to measure progress is key to ongoing sustainability and success. Evaluation includes data collection pertaining to all aspects of the services and measuring impact with qualitative and quantitative data. The Operator can share these stories of success with the public and to funders alike, as well as use the information gathered to improve processes for serving the arts and the community of Waco.

Choices for Governance Structure

- **Nonprofit Owned & Operated:** A nonprofit owned and operated facility is the most common model, generally, and is the model for one of the benchmarked institutions. Here are some considerations for this model: The nonprofit owner and operator will...
 - Need either (a) a newly created nonprofit entity or (b) to be added to the mission of a Waco nonprofit that exists already (such as Creative Waco)
 - Fundraise for the capital campaign and annual operating budget
 - Be responsible for meeting the annual budget bottom line
 - Possess core competencies in facility management, rental programs, artistic programming, contracting with touring programs, administrative and financial operations, fundraising, marketing, box office functions, back of house productions, program evaluation, and community engagement
 - Be staffed from a local and/or national staffing search to assemble a team that meets the core competency needs.
 - Create strong relationships with resident organizations and handle any facility management requests

- Choose between partnering with an outside vendor for food and beverage or handling it in-house
- **Nonprofit Owned and Operated by a Venue Management Company:** Like the model in Lubbock, this model utilizes a nonprofit entity to handle the fundraising for the capital campaign and ongoing donations and hires a venue management company (VMC) to handle programming and operations. Here are some considerations for this model:
 - The nonprofit owner could be either (a) newly created nonprofit entity or (b) added to the mission of a Waco nonprofit that exists already (such as Creative Waco, The Convention Center, or the Hippodrome)
 - The VMC could be either (a) a global company such as ASM Worldwide or Spectra, or (b) a local company with facility management experience such as The Hippodrome or The Conference Center
 - A global VMC is not usually interested in the partnership if the seating capacity isn't high enough to meet their profit requirements
 - A global VMC entity is not usually community based, so local programming can be a low priority, except in the case of a local company like The Hippodrome or The Conference Center
 - Lubbock highly recommended working with ASM; they hired a team of 6 people to work locally in Lubbock and at the facility, and created relationships with booking managers for the 3 years prior to opening in order to hit the ground running
 - The facility will need to be staffed from a local and/or national staffing search to assemble a team that meets the core competency requirements

As the governance structure is developed, other components to consider may include creating strong lease agreements with resident organizations, such as the Waco Symphony, Baylor University and Waco ISD. This may include requiring upfront capital investment in exchange for right of first refusal on rental dates and favorable lengthy lease terms (i.e. 100+ years).

PRO-FORMA FINANCIAL ESTIMATES

The financial pro forma is constructed using the following considerations:

- The development of a guest artists’ series program.
- Offering creative space and office space to Waco artists, arts organizations, and select resident organizations at special rates.
- Comparing costs for the nonprofit owner and operator model with the nonprofit owner plus venue management company model.

Staffing

Nonprofit Owned & Operated: The staff requirement for a new arts facility owned and operated by a nonprofit includes arts professionals with experience in the administrative aspects of facility management, finance, human resources, development, marketing, programming and entrepreneurial leadership. The organization should be led by an experienced Director who is responsible for all aspects of the arts facility operation and is charged with the artistic and business health of the organization. Together, the staff is responsible for all operational aspects of the facility, supporting the mission. The following staffing structure is in line with the benchmarked institutions, with some variation based on the particular needs of Waco. Position descriptions are summarized below and outline the roles and responsibilities for each staff member listed in the table.

Nonprofit Owned & Operated				
Nonprofit Position	Office Space	Quantity	Salary	Position Description / Notes
Executive Director	1	1	\$ 85,000	Fundraising, decisions, goal setting, leadership
Program Director	1	1	\$ 60,000	Presenting series and contract mgmt; Education program; Public Art
Operations Director	1	1	\$ 60,000	Manages resident orgs, renters, vendors, budget & HR; oversees bookkeeper
Director of Marketing	1	1	\$ 60,000	Marketing for presenting series, Community engagement
Facility / Technical Director	1	1	\$ 60,000	Manages all facility needs and technical aspects of productions
Guest Services Manager	Box Office	1	\$ 50,000	Box Office, FOH, ticket sales and reporting; reports to OD
Director of Development	1	1	\$ 75,000	All grantwriting, reports to ED & PD
Bookkeeper	workstation	1	\$ 45,000	Data entry and invoicing; reports to OD
Work Study: Univ Students Admin Staff	workstation	5	\$ 36,000	One per dept (ED, PD, OD, DM, FD) \$15/hr x 10 hrs week x 48 weeks
Stagehands		5	\$ 80,000	Part Time- Reports to FD \$20/hr x 4 hrs x 200 days
Ushers		30	\$ -	Reports to PM, Volunteers
Nonprofit Totals		48	\$ 611,000	

Nonprofit Owned, Operated by Venue Management Company: If a nonprofit and venue management company collaboration is the chosen model, the following table outlines the structure. Position descriptions are summarized below and outline the roles and responsibilities for each staff member listed in the table.

Operating Estimates

The pro forma operating estimate is a snapshot of anticipated revenues and expenses based on a robust rental program and an entrepreneurial approach to program development. The following page shows the expenses and revenue pro forma budget and the line items for each potential cost, comparing both models.

Nonprofit Owned, VMC Operated									
Nonprofit Position	Office Space	Quantity	Salary	Position Description / Notes	VMC Position	Space	Quantity	Salary	Position Description / Notes
Executive Director	1	1	\$ 85,000		General Manager	1	1	\$ 85,000	Decisions, goal setting, leadership, presenting series
Director of Development	1	1	\$ 75,000		Marketing & Events Director	1	1	\$ 60,000	Marketing and contracting for presenting series and events
Development Assistant	workstation	1	\$ 30,000		Operations Director	1	1	\$ 60,000	Manages vendors, budget & HR; oversees bookkeeper
Work Study: University Students	workstation	2	\$ 14,400	One per dept (ED, PD, OD, DM, FD) \$15/hr x 10 hrs week x 48 weeks	Production Director	1	1	\$ 60,000	Manages all facility needs and technical aspects of productions
					Finance Manager	workstation	1	\$ 55,000	All bookkeeping and invoicing
					Box Office Manager	box office	1	\$ 50,000	Box Office, FOH, ticket sales and reporting; reports to OD
					Admin Staff	workstation	3	\$ 86,400	Part Time - Reports to Dir's \$20/hr x 30 hrs wk x 48 wks
					Ticket Sellers	box office	3	\$ 21,600	Reports to BOM \$15/hr x 10 hrs wk x 48 wks
					Stagehands		5	\$ 80,000	Part Time- Reports to PD \$20/hr x 4 hrs x 200 days
					Ushers		30	\$ -	Reports to BOM, Volunteers
		5	\$ 204,400		Nonprofit Totals		47	\$ 558,000	
								\$ 762,400	

PRO FORMA FINANCIAL OPERATING MODEL					
REVENUE	Nonprofit Owned & Operated	Nonprofit Owned	/ VMC Operated	NOTES	
Earned Income					
Concessions Revenue	\$ 49,590	NA	\$ 49,590	15% Commission, avg \$2 per ticket buyer	
Equipment Rental	\$ 25,000	NA	\$ 25,000		
Facility Rental Income	\$ 772,400	NA	\$ 772,400	See Usage & Rental Model	
Ticket Sales	\$ 432,000	NA	\$ 518,400	See Ticket Revenue Model * 20%	
Ticketing Fees	\$ 785,835	NA	\$ 785,835	See Ticket Revenue Model	
Other Revenue					
Resident Org Maint + Capital Reserve Fee	\$ 130,000	\$ 130,000	NA	Percent of Maintenance + Capital Reserve	
VMC Corporate Business Fee	NA	\$ 75,000	\$ (75,000)	VMC pays to Nonprofit Owner	
Fundraising Events	\$ 50,000	\$ 50,000	NA		
Less Direct Costs	\$ (7,000)	\$ (7,000)	NA		
Investments	\$ 2,000	\$ 2,000	NA		
Hotel Occupancy Tax	\$ 138,000	\$ 138,000	NA	6% of 2019 \$4.6 mil split with Conf Center	
TOTAL REVENUE	\$ 2,377,825.00	\$ 388,000.00	\$ 2,076,225.00	NO/VMC Combined Total: \$2,464,225	
EXPENSES	Nonprofit Owned & Operated	Nonprofit Owned	/ VMC Operated	NOTES	
Operating Expenses					
Advertising, Marketing & Promotion	\$ 75,000	NA	\$ 75,000		
Curated Program Artists Fees	\$ 1,000,000	NA	\$ 1,000,000		
Security	\$ 200,000	NA	\$ 200,000		
Printing & Production	\$ 115,000	NA	\$ 115,000		
Total Operating Expenses	\$ 1,390,000	\$ -	\$ 1,390,000	NO/VMC Combined Total: \$1,390,000	
Facility & Administrator Expenses					
Personnel Expense					
Payroll Wages & Salaries	\$ 611,000	\$ 204,400	\$ 558,000	See Staffing Tab	
Taxes/ Workers Comp/ Benefits	\$ 122,200	\$ 40,880	\$ 111,600	20% of salaries	
Bank Service & CCard Fees	\$ 173,961	NA	\$ 173,961	3% of ticket sales	
Building Occupancy Costs	\$ 324,797	NA	\$ 324,797	alarm, utilities, janitorial, internet approx \$3.5 /sq ft	
Depreciation	\$ 100,000	\$ 100,000	NA		
Insurance	\$ 75,000	\$ 75,000	NA		
Leases & Rentals	\$ 3,000	NA	\$ 3,000	equipment, copy machine, printer, etc	
Licenses and Permits	\$ 1,000	NA	\$ 1,000		
Office Expense					
Conferences conventions & meetings	\$ 20,000	\$ 5,000	\$ 15,000		
Dues and Subscriptions	\$ 25,000	\$ 5,000	\$ 20,000		
Office/Tech/Safety Supplies	\$ 60,000	\$ 10,000	\$ 50,000		
Postage and Delivery	\$ 2,000	\$ 500	\$ 1,500		
Info Tech	\$ 50,000	\$ 5,000	\$ 45,000		
Professional Fees	\$ 50,000	\$ 10,000	\$ 50,000	accounting, legal, branding, contract labor	
Repair & Maintenance					
Building Repair & Maint	\$ 300,000	\$ 300,000	NA	0.5% of \$60 mil building cost	
Building/Equip Supplies & Tools	\$ 15,000	\$ 15,000	NA		
Equipment Repair & Maint	\$ 5,000	\$ 5,000	NA		
Staff Meals & Travel	\$ 10,000	\$ 5,000	\$ 5,000		
Other Misc Expenses	\$ 30,000	\$ 10,000	\$ 20,000		
Total Facility & Admin Expenses	\$ 1,977,957.50	\$ 790,780.00	\$ 1,378,857.50	NO/VMC Combined Total: \$2,169,638	
TOTAL EXPENSES	\$ 3,367,957.50	\$ 790,780.00	\$ 2,768,857.50	NO/VMC Combined Total: \$3,559,638	
NET SURPLUS/DEFICIT	\$ (990,132.50)	\$ (402,780.00)	\$ (692,632.50)	NO/VMC Combined Total: -\$1,095,413	
Contributions Income Needed	\$ 990,133	\$ 402,780	\$ 692,633	NO/VMC Combined Total: \$1,095,413	
Earned Income	71%	49%	75%	69%	
Contributed Income	29%	51%	25%	31%	

Expenses: Projected expenses for programming and fixed operating costs are approximately \$3.3 to \$3.5 million for the first year for the two respective models. These models can anticipate a growth of 3% each year in years two and three. Expenses include costs for events and presentations, personnel, building operating costs, office supplies and expenses, equipment, insurance, professional fees, and other related expenses.

Revenues: The new facility will require a mix of rental income and ticket revenue; however, PAFP predicts that at least 59% of the funding will need to come from contributed sources. Below is an outline of the income potential from renting the spaces as well as from ticket sales.

Earned revenue categories include:

- Ticket revenue
- Resident organization offices and performance space rentals
- Non-profit rentals
- Commercial rentals

The shortfall between earned revenue and operating expenses will most likely be covered by fundraising initiatives from the following:

- Individual gifts
- Institutional gifts (foundations)
- Governmental support (federal, state, county)
- Corporate support
- Special taxing and financing

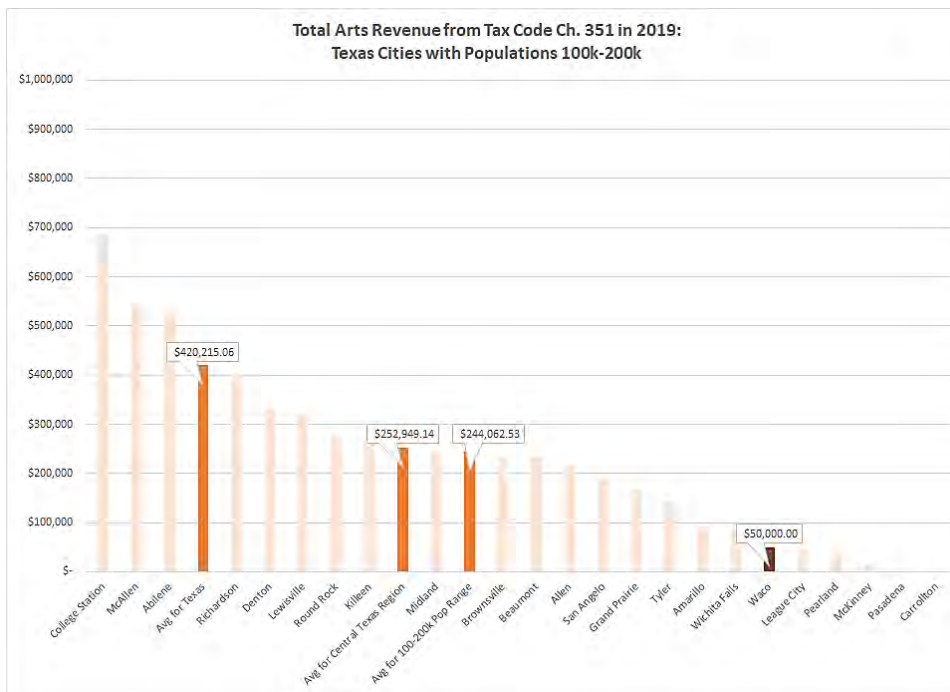
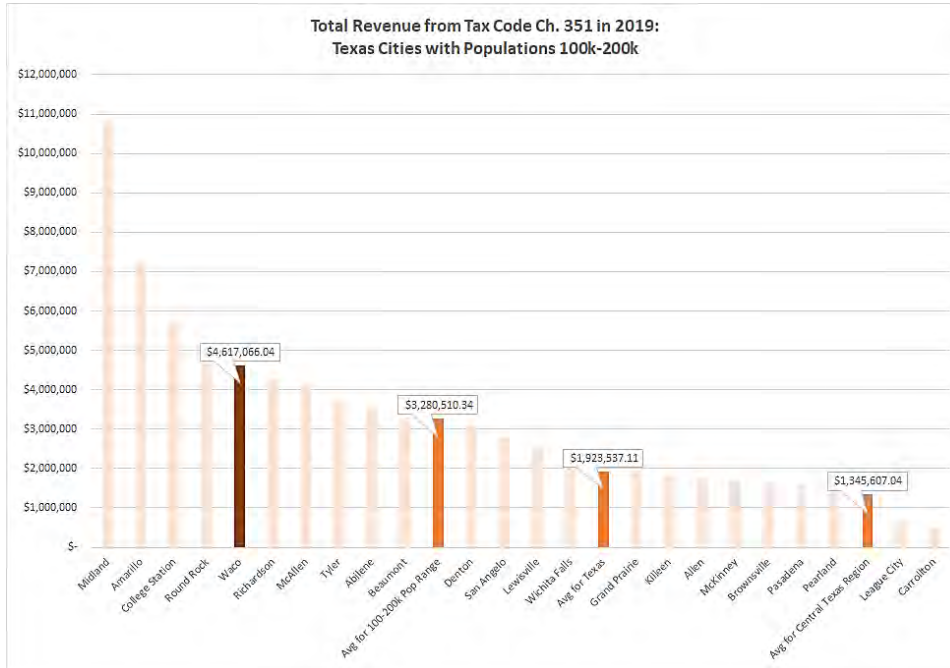
Rental Rates & Totals: The pro forma operating budget includes revenue based on rentals by resident and outside organizations. The calculation is based on rental rates proposed for the new facilities that are commensurate with rates for other comparable venues. Considering the need for affordable arts space in Waco, the rates are priced to accommodate a range of users, including those with smaller budgets. All rental rates are calculated hourly at a minimum of four hours per day. We used the four-hour rate to capture the majority of use and to match other comparable facilities’ rate structures; however, there may be many other more nuanced ways to meet the budget and allow for uses of the space that include shorter time periods. Rates are outlined on page 21 and in the chart below.

USAGE & RENTAL REVENUE MODEL					
Rental Rates Per Day	Resident	Nonprofit		Commercial	
Spaces	Performance	Performance	Rehearsal / Non Ticket	Performance	Non Ticketed Private Event
Performance Space	\$ 3,000	\$ 3,000	\$ 1,000	\$ 5,000	\$ 3,000
Multi-Use Room	\$ 1,000	\$ 1,000	\$80/day or \$20/hr	\$ 2,000	\$ 2,000
Public Lobby	NA	\$ 2,500		\$ 4,500	\$ 4,500
Recording Studio	\$80/day or \$20/hr	NA	\$80/day or \$20/hr	NA	\$ 500

Ticket buyer projections are conservatively based on 60% of total capacity for the performance and studio spaces and on the number of performances projected annually at the new arts facility. These rates are illustrated in the chart below.

TICKET REVENUE MODEL					
TICKET REVENUE	Avg Price	# of Ticketed		60% of Seats	Sales Projection
		Events	Seat Capacity		
Ticket Buyers Waco PAC Presents	\$ 40	12	1,500	10,800	\$ 432,000
Ticket Buyers Renters	\$ 35	169	1,500	152,100	\$ 5,323,500
Multi-Use Room	\$ 18	20	200	2,400	\$ 43,200
TICKETING FEES	Per Ticket			60% of Seats	
Box Office Waco PAC Presents (5% Ticket Price)	\$ 2.00			10,800	\$ 21,600
Box Office Renters (5% Ticket Price)	\$ 1.75			152,100	\$ 266,175
Box Office Multi-Use Room (5% Ticket Price)	\$ 0.90			2,400	\$ 2,160
Facility Fee	\$ 3.00			165,300	\$ 495,900
					\$ 785,835

TEXAS MUNICIPAL HOTEL OCCUPANCY TAX ANALYSIS

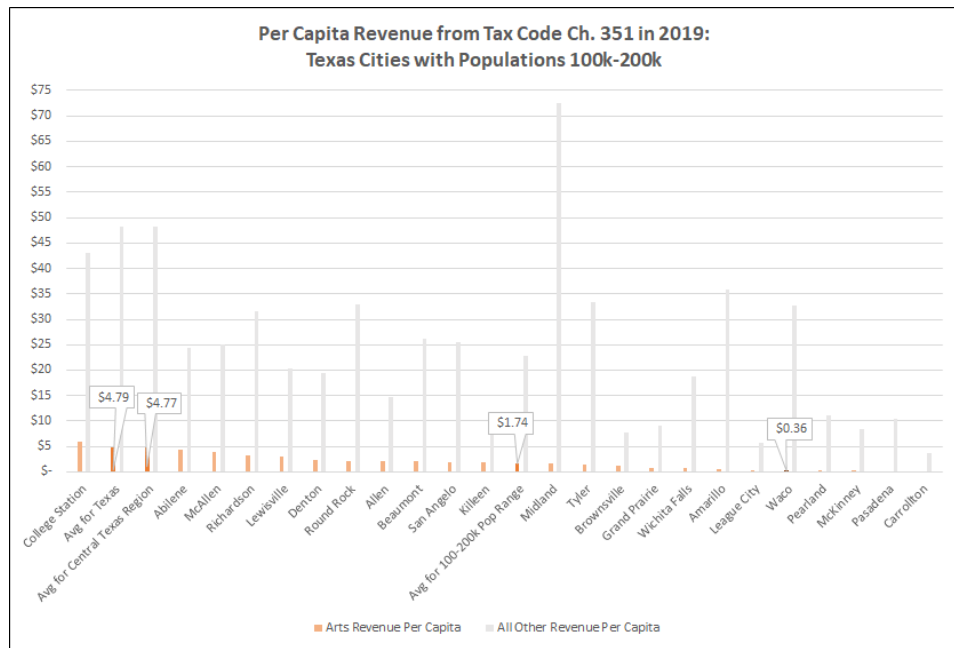


The following analyzes revenue generated from the Municipal Hotel Occupancy Tax (HOT), as per tax code ch. 351, in the year 2019. The following data were reported to and provided by the Texas Comptroller of Public Accounts. The charts illustrate data reported by cities in the same population peer group as Waco with populations between 100k and 200k. Also included on these charts are comparisons of the average revenues for all of Texas, the averages for the 100k-200k peer population group, and the averages for all cities that reported data with the Central Texas¹ region. The charts to the left illustrate that although Waco is

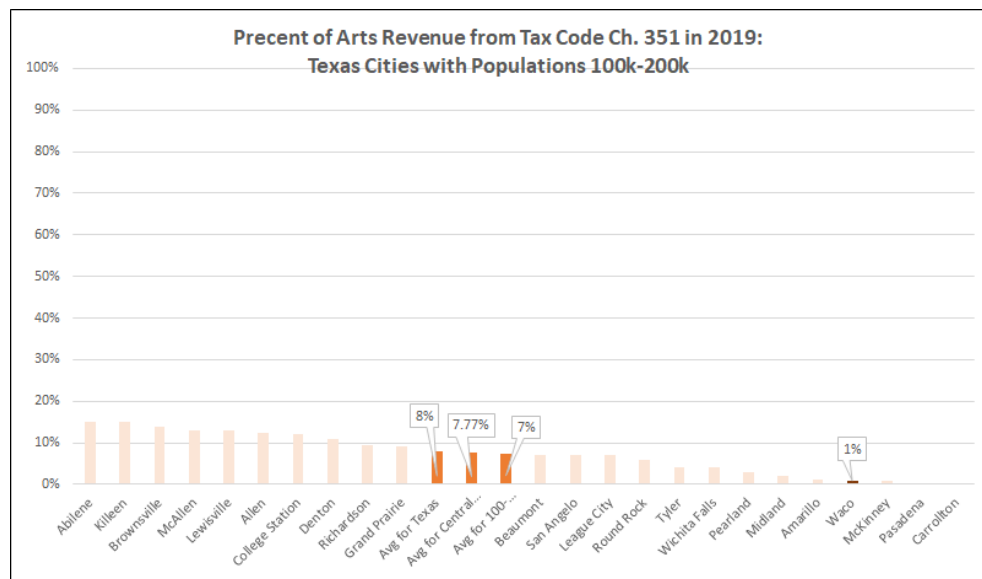
¹ Central Texas region includes the following cities: Austin, Bastrop, Bellmead, Belton, Brenham, Bryan, Burnet, Cedar Park, Centerville, Clifton, College Station, Copperas Cove, Cottonwood Shores, Fayetteville, Gatesville, Goldthwaite, Hamilton, Harker Heights, Hewitt, Hico, Hillsboro, Hubbard, Kyle, La Grange, Lacy Lakeview, Lago Vista, Lakeway, Lampasas, Lockhart, Manor, Marble Falls, Marlin, Marquez, Martindale, Meridian, Mexia, Muleshoe, Pflugerville, Robinson, Rockdale, Round Rock, Smithville, Somerville, Taylor, Teague, Valley Mills, Waco, Woodway

generating more revenue through HOT (top), the portion allocated to the Arts (bottom) is well below the averages for Texas as a whole, its peer population group, and Central Texas region.

The next chart illustrates the amount of hotel tax revenue generated per person in each city. Per capita allocation for the arts is averaging at \$1.74 for cities within the peer population group, where averages for Texas as a whole and the Central Texas region are in the high \$4 range. Waco per capita allocation of arts revenue sits on the low end of 36 cents.



Finally, the last chart below illustrates the percent of arts revenue allocation from the hotel tax. Arts revenues allocation range from 0% to 15% for cities in the peer population group. Averages for the peer group, Central Texas region, and Texas as a whole range from 7% to 8% respectively, and Waco sits on the low end at 1% of revenue allocated to the arts.



Finally, it's worth noting that the regulations also allow for the following: "Texas cities and some counties may establish up to a 2 percent hotel occupancy tax to support a venue, if approved by public referendum."²

² Retrieved September 2020 by <https://comptroller.texas.gov/economy/fiscal-notes/2016/june-july/hotel-tax.php>

OTHER TAXING INITIATIVES

Other cities across the country have created taxing initiative by various means in order to fund arts and cultural facilities. Here are three differing strategies that Waco can keep in mind when considering the route of sourcing funds for the new facility.

St. Paul, MN

Population: 307,695 (2018 estimate, does not include metropolitan area)

Cultural Tax Initiative: CultureSTAR (Sales Tax Revitalization)

<https://www.stpaul.gov/departments/planning-economic-development/economic-development/star-programs>

In 1993, the mayor wanted to bring in a hockey arena and renovate the city convention center. The city saw an opportunity to revive the downtown cultural district with a series of competitive grants and low-interest loans, funded by a portion of sales tax. Awards are to be used for capital projects, organizational development and special projects. STAR is funded by one-half percent sales tax, and 10% is distributed as cultural capital investments. Because the city does not have a cultural council, the funds are governed by a board of five city-appointed members and four others elected by arts and cultural organizations.

St. Louis, MO

Population: 300,576 (2019 estimate, does not include metropolitan area)

Cultural Tax Initiative: Zoo Museum District (ZMD) Property Tax Levy

<https://mzdstl.org/>

In reaction to a decline of population, the US's oldest tax district utilizes a property tax levy to fund the cultural district so that a steady stream of revenue would continuously support both the City's Zoo and Art Museum. The statutory provision for St. Louis's cultural district authorizes an *ad valorem* tax levy of up to 8 cents per \$100 for the operation of the Zoo and Art Museum, and a tax of up to 4 cents per \$100 assessed valuation to fund Missouri Botanical Garden, St Louis Science Center, and Missouri History Museum.

Cuyahoga County, Ohio

Population: 1.23 million (2019 estimate)

Cultural Tax Initiative: Cigarette Tax

<https://codes.ohio.gov/orc/5743.021>

In 2006, voters approved a 10-year cigarette tax to support arts and cultural organizations in Cuyahoga County, Ohio. Voters renewed the tax in 2015 for another ten years. The arts community reports a 30 percent increase in arts and cultural programming due to the investment from the tax initiative. Cuyahoga Arts and Culture administers the tax via a competitive grant process. The program is funded by a penny and a half per cigarette or 30 cents per pack. Organizations that receive funds must match the money dollar for dollar and submit reports twice a year to the agency. The program once earned almost \$20 million per year in revenue but is expected to drop about 6 percent to 7 percent a year as individual smoking rates decrease.

CONCLUSIONS

The operational plan contained in this report is based on a facility concept which has been reviewed by Waco leadership and offers a snapshot of a model that is needed to successfully operate the facility. The plan outlines programming opportunities as well as two governing models for consideration with their associated operating budgets. It is accurate to frame these plans as hypothetical given that they are based on a concept and not an actual building. In the end, the plan will need to be refined and altered to accommodate an acceptable operating model once the building's planning has been solidified, site selected, design drawn-up, and funding identified.

At the outset of the report and operating plan we began with a series of questions that the plan was meant to address. Each original question is included with a review of how the plan addressed the question. The conclusions and recommendations have been developed in the context of the new arts facility goals and opportunities for success.

- **What community needs will be addressed with the development of a performing arts center in Waco?**

The stated goal for the development of a new performing arts center is to address the need to improve Waco's arts facility infrastructure by adding an appropriately sized venue that would host large scale productions, touring attractions, and local performing arts organizations. Waco's existing facilities are either too small, overly booked, or too large. A new performing arts center would enhance the community's arts needs and allow residents of the area to experience performing arts events that they would normally travel to Dallas or Austin to attend.

- **Is there sufficient utilization of a proposed facility to warrant its development?**

Through an extensive community engagement process that included interviews with potential facility users, it was determined that the venue would be used sufficiently, approximately 285 use days per year. This includes performing arts center presentations as well as local arts organization usage and other rentals.

- **Does the current infrastructure lack an appropriate facility for the stated needs of the community?**

As noted, Waco's current facilities lack the size or production accommodations needed to provide the community with an appropriate performing arts center. A new 1,500-seat venue would be a good addition to the current inventory of spaces in Waco and provide a state of the art performing arts center that can host a range of attractions.

- **What are the component parts of a new cultural facility in Waco, such as size, and configuration?**

The operational plan is based on a 1,500-seat proscenium theater, a 2,600 square foot multi-purpose room that can be used for performances, rehearsals, and special events, a 2,00 square foot media/broadcast studio, administrative offices, and support spaces for backstage and front of house.

- **What should the organizational operating plan be for the new facility?**

The operating plan offer two options for consideration: a not-for-profit owned and operated model and a not-for-profit owned and venue management company operated model. Each option is outlined in this report with the final decision on the optimal operating model to be made by the key stakeholders of the project.

- **What is the optimal staffing structure for the facility?**

The two operational models offer different staffing structures. The not-for-profit owned and operated model will require a full-time and part-time staff of approximately 48. The not-for-profit owned and venue management company operated model has the not-for-profit staffing at 5 full-time staff with the venue management company having a total of 47 full and part-time staff members.

- **How will the facility be governed and by what entity?**

It is assumed that the Waco Performing Arts Center will be governed by a not-for-profit entity either pre-existing or created for the project.

- **What are the financial operating estimates for the anticipated facility?**

In both models, the performing arts center will require an annual subsidy, most commonly through a fundraising effort. The not-for-profit model estimates annual operating expenses at \$3,367,957 with revenues at \$2,277,825 leaving a gap of \$990,132. In the not-for-profit/venue management model annual expenses are estimated at \$3,559,638 with revenues estimated at \$2,464,225 leaving a gap of \$1,095,413.

- **Who (what entity) will operate the new cultural facility in Waco?**

It is yet to be determined which entity will operate the Waco Performing Arts Center. This operating plan offers two scenario models to consider as well as the benchmarked institutions from which to gain valuable insights and lessons learned. With whichever model is selected, a key aspect will be the Center's ability to raise contributed revenue to operate the venue and cover operating expenses.

- **What programs, services and opportunities exist for a cultural facility in Waco?**

As outlined in the plan, the Waco Performing Arts Center will provide unique programming opportunities to the Waco community through presented touring productions as well as provide a home for some of Waco's most important performing arts organizations.

END