

***NATIONAL CULTURAL FACILITIES
STUDY***

FINAL REPORT:

FINDINGS, RECOMMENDATIONS AND FEASIBILITY

Prepared by

**Nonprofit Facilities Fund
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TABLE OF CONTENTS

	Page
Introduction and Overview	1
Executive Summary	3
About the Study	7
Facilities Projects: Their Significance and Motivation	13
Financial Resources Used by Facilities Projects	17
Facilities-Related Problems and Their Origins	23
A Response to the Need for Assistance	29
The Market for Services and Recommended Program Model	33
Appendix, Interviewees	37

Illustrations

Table 1	Characteristics of Sampled Organizations	9
Table 2	Composition of Universe and Sample: By Size	11
Table 3	Organizations with Prior Activity	16
Table 4	Overall Costs of Sampled Projects	17
Table 5	Distribution of Grant Sources	18
Table 6	Distribution of Debt Sources	19
Chart 1	Organizational Asset Base	13

INTRODUCTION AND OVERVIEW

This report concludes an eight-month exploration of arts organizations' need for facility-related assistance. The study, started in the fall of 1991 and concluded in April of 1992, includes an evaluation of the quality and quantity of capital resources available to serve the arts and the potential to improve those resources. It presents our findings on these points and discusses the ways in which this need might be served.

For the purposes of this study, we identified approximately one hundred cultural facility projects that are recently completed, underway, imminent or just beginning to coalesce. We chose from a pool close to twice that size and continually discovered additional projects.

We found that despite the current recession, facilities activity is evident within all sectors of each local arts community. While overall activity in the Northeast has dropped during the past four years as a result of severe economic conditions, one veteran board member and foundation trustee observed, "*I've never seen it so tough on arts organizations overall, nor seen so many of them working on facilities.*"

A Draft of the Preliminary Report was submitted to funders on April 30, 1992. This Final Report was edited and distributed March, 1994.

While the preliminary report was edited, the examples used to illustrate various points were not changed. Therefore, examples which were appropriate at the time of the writing of the draft in 1992, may not seem as appropriate at the time of distribution.

EXECUTIVE SUMMARY

Facilities dominate arts operations to an extent rarely seen in any sector. Arts organizations are three times as asset-intensive as the American steel industry, requiring \$2.70 in assets to generate a dollar in annual revenues. Their facilities are technically complex, expensive and time-consuming to build and maintain.

While appropriate facilities are intrinsic to the health of arts organizations, we treat them as if they were peripheral. This denial means that we spend millions annually, intentionally or not, to build and maintain an enormous asset base without acknowledging or providing for it. We tend to ignore the demands facilities place on artists and arts organizations and their impact over time. The results are costly.

The National Cultural Facilities Study was based on conversations with artists, arts organizations, arts funders, government agencies and others, as well as on an analysis of financial information from individual organizations. We found that while weaknesses exist in the way arts facilities are developed and managed, some of the arts community's strengths, their fundraising ability, entrepreneurial skill, resiliency and significant earned revenues augur well for improvement. We found a great deal of demand for help among arts managers and others in the arts community. We present below a summary of our findings.

Facilities are Central to the Arts

Arts programs are economically inseparable from the facilities that house them. This is because arts organizations are highly dependent on revenues from audiences or users (typically, about half annual revenues are earned). Arts program managers must constantly balance the cost of their facilities with the revenue they can generate.

The interaction of growth needs, economics of scale, operating cost escalations, the construction process and artistic programming is very complex, whether the organization in question is large or small. In every case, facility and program intertwine. Facility risk is program risk, and dollars for program invariably support the facility. We found countless cases where improperly planned, financed and managed facilities harmed the program, as well as a few examples of the inverse.

Most Facilities Investment is made without Adequate Planning

Arts organizations and their supporters make significant investments in facilities (over \$630 million was committed to the ninety-three projects we examined during this study) without adequate forethought or planning. We found weaknesses in three areas, virtually all of which are related to lack of experience in facilities projects by funders and arts organizations alike.

♦ Lack of broad-based planning

As noted above, arts organizations are highly market sensitive. Accordingly, we found that the most successful projects were driven by the resident organizations' strong sense of their artistic mission, institutional capacity and market.

Typical planning and feasibility studies do not address these factors. They focus too narrowly, addressing the characteristics of a particular site or sites. Consequently, a real estate "opportunity" rather than the organization's mission and capacity usually drives projects, with poor results.

As a result, support for arts facilities projects tends to be fragmented and mismatched to the realities of capital construction:

- Arts managers must assemble resources from unrelated sources, most of which seldom provide capital funds. The greatest portion of the grant resources committed to facilities projects in the arts comes from funders that do not make capital grants on a consistent basis. Individuals, the largest single source of support, clearly lack the means to influence these projects.
- All investors (bankers, grantmakers, bonding authorities and individuals) provide funds without knowledge of the full scope of the project they are funding. Grantmakers, in particular, may face internal rules that limit the scope of their assistance. For example, most sources of capital grants do not fund technical assistance and vice versa.
- There are few sources of pre-development funds. The technical assistance and planning funds that exist are general in nature, not administered or guided with a specific understanding of facilities.

Facility activity is both continual and cyclical

Many capital campaign contributors believe that capital expenditures are one-time events. In reality, building and maintaining facilities is a continual, costly activity. Facilities changes tend to predict more activity, not end it, particularly among small and mid-sized organizations.

We found that facilities activity proceeds in two simultaneous cycles: first, as ongoing efforts to manage the day-to-day demands of ownership or tenancy (maintenance, code compliance, asbestos removal, accessibility); and second, as large-scale activity that occurs every six to ten years to meet growth-related needs or to address severe deferred maintenance (acquisition, relocation, expansion, major renovation).

Arts organizations and their Managers often *choose* a difficult path

While arts organizations operate under tremendous constraints, they frequently undertake projects in ways that contribute directly to their problems. And despite lessons to be learned from such experiences, the field as a whole lacks a mechanism to do so. Among the prevalent practices:

- Arts managers are often entrepreneurial, willing to take risks and most have a flair for drama. They seldom approach facility projects with the idea of incremental growth as a guiding principle.
- Arts managers work in a highly competitive environment. They undertake their projects in isolation and lack (or avoid) advisors who question assumptions, challenge myths or share information learned from other projects.
- Arts managers lack "early money," so they tend to commit to a project prematurely in order to spur fundraising. The process is turned around: it not only skips planning, but makes it difficult or impossible to back down from an early mistake.
- Because fundraising is fluid and often runs concurrent with construction, decisions about projects are made out of context and in free-fall, spurred by momentary fundraising successes and uncontested by solid planning.

ABOUT THE STUDY

Background and Motivation

We undertook this exploration on behalf of a consortium of grantmakers, all but one of whom fund broadly in their respective arts community at the local or regional level. The consortium also included the National Endowment for the Arts, which plays a unique national role. As we note below, the quest among arts organizations for appropriate facilities is fundamentally a local endeavor. However, a national view reveals much common ground around issues of resources, financing, technology and uses of cultural facilities.

The consortium members recognize the importance of facilities to the health of their local arts communities and each has responded to that need creatively on an individual basis by supporting capital needs directly or indirectly. Throughout the exploration they have been our partners in discussing ways this response must be improved. They share the view that the greatest improvement is possible with a collaborative effort among resource providers. Determining the potential for improvement, and outlining the necessary nature of such a collaboration has been the purpose of this study.

Scope of Investigation

At its first meeting to initiate the study, the consortium identified five primary questions for the investigation to answer:

- What is the nature of facilities activity?
- What assistance do arts organizations need with facilities?
- Is there a capacity to use assistance if it is provided?
- Does support exist to organize the needed assistance?
- Would an effort to provide assistance produce significant improvements?

To answer these questions, our investigation focused on arts communities in four local areas: the cities of Chicago and Philadelphia, the San Francisco Bay Area and the New England region. In each location, we interviewed (directly and by telephone) approximately twenty-five organizations involved in cultural facility projects. Projects sampled included those recently completed, underway or imminent, those of varying scopes and concerns, and those undertaken by organizations of differing disciplines and budget sizes.

In a second series of interviews we examined the local resource base. We explored attitudes towards arts organizations and their facility projects among a wide variety of grantmakers (private, corporate, community, family foundations, and public agencies with both cultural and economic development mandates) and lenders (bankers, public finance authorities, local loans funds, and foundations) plus service organizations and technical assistance providers in the arts, community development and general nonprofit world.

We then sought a national perspective. We spoke with a number of national grantmakers that conduct significant programs in the arts or who actively make program-related investments. In addition,

- upgrading to meet disabilities access, seismic and assembly codes
- removal of asbestos and contaminants
- restructuring earlier facility financing

How Arts Organizations are Grouped for Discussion

We analyzed information from interviewees based on both their cultural discipline and the size of their annual revenues. While discipline often dictates the need for technically specialized facilities, revenue size is helpful for gauging an organization's financial and managerial capacity. It is a strong indicator of the type and extent of need for assistance, and thus the most helpful dimension for our discussion.

We use the terms "major institution" and "large, mid-size and small organizations" in light of the following characteristics, summarized in Table 1, below.

Table 1
Characteristics of Sampled Organizations
 (Median)

	Major Over \$10M (9)	Large \$1-\$10M (44)	Mid-Size \$300K-\$1M (26)	Small Up to \$300K (21)
Age	58	23	15	9
Full Time Employees	168	32	9	4
Facility Square Feet (Thousands)	200	30	10	4
Annual Revenues (Thousands)	\$21,000	\$2,300	\$600	\$170
Earned Revenues	60%	59%	45%	20%
Annual Fund	40%	41%	55%	80%
Average Surplus (Thousands)	0	27	7	0
Total Assets (Thousands)	\$37,000	\$3,750	\$500	\$60
Ratio of Assets/ Revenues	2.0	2.4	1.1	1.2

more management depth overall and more professional managers. They have little difficulty arranging access to financing or specialized technical assistance.

Study Universe and Sample

As illustrated below, our exploration cuts across all revenue groups. Our sample reflects a spectrum of projects at different stages of completion, of varying scales, and with a range of concerns.

**Table 2
Composition of Universe and Sample: By Size**

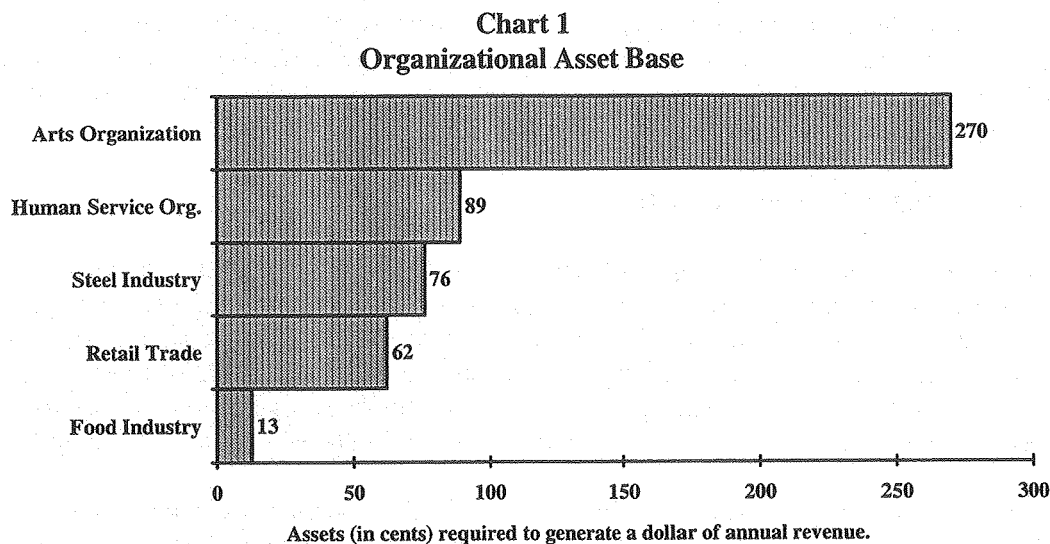
	Chicago	New England	Philadelphia	San Francisco Bay Area	Universe Composition	Sample Composition
Major Over \$10M (9)	3%	1%	3%	3%	1%	8%
Large \$1M-\$10M (44)	16%	4%	13%	7%	6%	44%
Mid-Size \$300K-\$1M (26)	22%	5%	14%	25%	10%	22%
Small 150K-\$300K (21)	59%	90%	70%	65%	83%	26%
Total	100%	100%	100%	100%	100%	100%

We were guided by consortium members in selecting organizations to interview. While our sample reflects all disciplines, in some instances, we focused additional attention on the segment of a local arts community that had a high degree of facilities activity, for instance, community arts centers in Philadelphia, theaters in San Francisco and Chicago, and museums in New England and Philadelphia.

FACILITIES PROJECTS: THEIR SIGNIFICANCE AND MOTIVATION

Importance of Facilities to the Arts

As illustrated in the chart below, arts organizations are asset-intensive. They require a very large asset base to generate the revenues necessary to support their programs and serve the public. Facilities and associated capital improvements comprise the greatest portion of their assets. This means that the care, management and maintenance of facilities is a major responsibility for nonprofit arts organizations.



Facilities are an imperative to arts organizations, not a luxury. Appropriate facilities are essential to an organization's efforts to develop audiences and to predict its finances. While facilities contribute to the overall financial health of arts organizations, inadequate facilities can lead to debilitating management problems, financial instability and artistic compromises. The impact of facilities problems is magnified by an economy in which many arts organizations operate on narrow financial margins. In the words of one theater director,

"You find yourself, your board and your organization committing untold effort and resources to this [facilities] problem. There is no positive return on that effort and no end to the drain."

There are plentiful examples of the importance of facilities to organizational health among the arts organizations we surveyed:

- For Philadelphia's Clay Studio, an expanded facility secured by a long-term lease ended a period of turmoil set off by eviction and relocation. With other visual arts organizations as partners, the Studio is in a sound financial position to increase its services. Director Jimmy Clark says, *"Our classes have increased and we're working on programs we never felt we could do before."*

- For San Francisco's ODC/San Francisco and Margaret Jenkins Dance Company, a shared administrative, teaching and rehearsal facility ended the expensive and exhausting state of transience that often leads to the premature demise of a young dance company. In the words of ODC's Brenda Way,

◆ The Real Estate Market Stimulates Facilities Activity

Arts organizations are strongly affected by real estate cycles. Several years ago, an active real estate market and rising rents spurred evictions and relocations and pushed sale prices out of reach. Now, bargains on rents and purchase opportunities offered by a soft market are encouraging relocation and enabling acquisitions.

We found a number of projects moving ahead to capture discounted construction costs or take advantage of sales by bankrupt developers. Whatever the market, cycles in lease renewals will yield relocations and the need for basic leasehold improvements.

◆ The Economic and Regulatory Environment Contributes to Activity

Beyond the real estate market, an array of forces affect the need of arts organizations to undertake capital projects. For instance, regulations, particularly code requirements for seismic safety, public assembly and disabilities access, are spurring efforts to retrofit facilities, as are requirements to remove asbestos and contaminants.

Under financial pressure, many organizations are seeking to maximize earned revenues in response to the tight funding environment. They are undertaking facility projects to increase seating or presentation capacity and also to create related enterprises, such as gift shops, concessions, conference centers, and rental facilities. In addition, many organizations hope to increase reserves and are running sizable endowment campaigns, almost all in combination with a facility component.

The economic growth of the past decade played a role in the overall growth of arts organizations noted above. But it also gave birth to "mega projects" involving radical growth in facilities, and in some cases the creation of totally new major institutions. Many of the capital campaigns for these projects ran into difficulties when the economy worsened and now are slowly reaching completion with extended deadlines and, in some instances, lowered sights.

◆ Facilities Activity Leads to More Facilities Activity

As illustrated in Table 3, half of all the organizations interviewed concerning a specific facility project had undertaken a prior project within the last six to ten years.

FINANCIAL RESOURCES USED BY FACILITIES PROJECTS

Project Scale and Scope

Facilities projects are resource-intensive. They require that funds totaling many times an annual operating budget be assembled from a wide variety of sources. At the same time, funds for operations must continue to be raised. We found that with a lot of hard work, a project scaled at one to two-times annual operating revenues could be accomplished safely by a typical organization. While about half the organizations surveyed undertook projects whose costs fell within this comfortable range, many organizations, both large and small, had taken on projects with budgets of three to five times operating revenues and found themselves struggling.

Facility projects involve a lot of money by any standard, particularly that of nonprofits. The combined cost of 93 projects examined during this study is \$630 million, shown in Table 4.

Table 4
Overall Costs of Sampled Projects
(Millions)

	Number of Projects	Median Project Costs	Mean Project Costs	Total All Projects
Major Over \$10M (9)	9	\$13.8	\$19.8	\$178,400
Large \$2M-\$10M (23)	23	\$ 6.1	\$12.6	\$289,960
\$1M-\$2M (19)	19	\$ 2.2	\$ 3.6	\$ 73,000
Mid-Size \$300K - \$1M (24)	24	\$.590	\$ 3.4	\$ 81,000
Small \$150K - \$300K (18)	18	\$.360	\$.700	\$ 12,500
Total	93	\$ 1.7	\$ 6.8	\$635,400

Projects often involve a large portion of an organization's physical area. This temporary displacement results in revenue loss, increases in expense and administrative burdens. Many renovations address a full facility and they frequently include expansion to achieve a larger space. On average, for the institutions surveyed, the scale of renovations spanned the range of 80 percent of the original facility space for the major institutions, to 180 percent for the smallest institutions. About one-quarter of the projects required that programs be suspended or reduced, or facilities be fully or partially closed to allow for construction, often affecting services and income.

Over half of the projects involve moving the entire organization to a completely new site, and these projects demand thoughtful decisions about ownership versus tenancy, decisions that are influenced by growth and economic capacity as well as by local real estate markets.

Sources of Debt for Cultural Facilities

Debt plays a strategically important role in facility projects. We found 50 to 60 percent of all projects undertaken by all sizes of organizations involved debt. As noted previously, the organizations in our sample used debt to finance 19 percent of the aggregate cost of their projects. Arts organizations of all sizes are making use of debt in a wide range of formats (see Table 6). The amount of debt as a percentage of total project cost varied, being lowest among small and mid-size organizations, comparable among major institutions and the lower tier of large organizations, and highest among the upper tier of large organizations.

Five types of lenders provide debt to cultural facilities: the public sector, banks, foundations, local loan funds and a variety of other sources, including board members and landlords. The extent to which an arts agency obtains access to these different sources is dependent to a large degree on local factors, such as the availability of a public finance agency, or the overall health of the local banking community. More significant is the finding that while all sizes of organizations use debt to about the same extent, their access to different sources of debt varies based on the size of the borrower, as illustrated below.

Table 6
Distribution of Debt Sources

	Use of Debt		Sources of Debt					
	Using Project Debt	% of Project Cost	Public Sector	Banks	Foundations	Local Loan Funds	Other	Total
Major Over \$10M (9)	56%	22%	100%	0%	0%	0%	0%	100%
Large \$2M-\$10M (24)	58%	29%	81%	17%	2%	0%	0%	100%
\$1M-\$2M (20)	55%	21%	39%	49%	2%	6%	4%	100%
Mid-Size \$300K-\$1M (26)	50%	12%	0%	90%	0%	10%	0%	100%
Small Up to \$300K (21)	61%	12%	45%	22%	0%	32%	1%	100%
Total (100)	57%	18%						

Major institutions acquire their debt from the public sector, almost exclusively public finance agencies. These sources provide the large amounts and long terms that major facilities projects require. The major institutions' greater access to public sector financing is due to the fact that they can satisfy the greater credit requirements and high transaction costs of the public authorities that issue the debt.

The upper tier of large organizations (\$2 million to \$10 million) also is able to use public bond financing, but uses some bank financing as well. The lower tier of large organizations (\$1 million to \$2 million) uses public and bank financing about equally, and small amounts of debt from all other sources.

fundraising goal, breezed past that goal and is now housed in a state-of-the-art broadcast facility with a comfortable mortgage payment instead of a monthly rent payment. The loan is being repaid from the station's operating budget.

- ♦ Working Capital Loans are possible if a facility project increases net income, allowing the organization to amortize a loan.

The Auditorium Theater in Chicago believed that if its antiquated rigging and technical system were updated and its stage capacity increased, it could present long-running and profitable Broadway musicals. Though traditional lenders weren't comfortable with the risk, a local foundation financed the improvements. The venture was a success and helped to move the Auditorium into a stronger financial position. The loan is being repaid from increased ticket revenues.

- ♦ Gap financing, a long-term version of a working capital loan, provides the difference between project cost and total fundraising proceeds. As with a working capital loan, repayment is made from the operating budget of the organization. A careful calculation is required to determine that a project will increase income (either directly as earned income or indirectly due to increased annual fundraising capacities) to a greater extent than the corresponding expense of debt service. We found that this type of financing is frequently used by small and mid-sized organizations.

To support its growth from a small theater group to an established regional theater, People's Light and Theatre Company of Philadelphia undertook three phases of facility development over twelve years. The first two phases were modestly sized and accomplished with 50 percent debt provided by a public finance agency. The debt was serviced by the company's operating budget. The third phase involved a much larger campaign that did not use debt. This phase completed a facility complex that includes housing for actors which is expected to provide substantial savings.

Characteristics of Creditworthy Projects

In general, in reviewing a loan application, lenders consider the organization's financial track record, its management capacity and long-term prospects, and the strength of the project being financed. Lenders also consider the relationship of the project to the capacity of the organization.

- ♦ The Organization Must be Healthy and Well-Managed

A lender looks closely at management capacity and financial strength. Financial health is key to managing debt. Diversified revenues enable an organization to cushion or offset fluctuations in any one line of income or expense.

Management capacity and control are essential to the successful use of debt. In larger organizations, the artistic and administrative department heads, working in partnership with the board, must balance program growth and expenditures with financial capacity over time. In small organizations, a single accountable leader manages this process.

- ♦ The Project Must be Sound

Each facility project has its own economic structure which must mesh with that of the organization. An arts organization's loan request must be fundamentally sound in its assumptions about the capacity to repay the loan.

FACILITIES-RELATED PROBLEMS AND THEIR ORIGINS

Arts organizations address facility needs under difficult circumstances and operate in a complex environment. Moreover, they do so with a fraction of the staff and resources that many private sector entities apply to real estate concerns. Given these limitations, their track record is remarkable. However, their efforts are fragmented and difficult to sustain. They often struggle with the conflicts inherent in a dual artistic and operating management structure, and they serve more than one public, the audience for their artistic program and the grantmaking community which invests in them. This inherent complexity is further complicated by the advent of a facility project and the array of additional factors that are introduced by such an endeavor.

Across all sizes of organizations, the experience with facility projects falls into three categories. We found approximately a third of the organizations are able to accomplish a project with reasonable success and manageable problems. Another third have some level of difficulty and incur evident setbacks. Finally, close to a third end up with serious long-term problems as a result of their facility projects. The nature of the problems experienced by the surveyed institutions, and the origins of those problems, are explored below.

◆ Financial Difficulties

About a third of the organizations we interviewed are experiencing some level of financial difficulty as a direct result of their project. These difficulties include invasion of endowment funds to complete a project, an excessive debt burden, an unexpected increase in annual operating costs of a new facility, or a loss of earned income because a building wasn't designed correctly or doesn't function properly. In the words of arts managers who experienced some of these difficulties,

"We were offered a lot of money by a major patron, out of the blue, if we could raise the rest of the money and build it in a year. He thought the short time would help us push everyone hard. We completely focused on fundraising and getting the thing built. Now we're finding out what it costs to run and we're having real trouble."

"We couldn't build the dressing rooms so we can't serve the market we were supposed to be designed for, and we're way below capacity with rentals. You can't expect the bigger companies to use us without those facilities. The money ran out and we had to cut somewhere. We didn't do final plans and specs until after the grants came in. And then we couldn't go back to all the funders and tell them, 'Sorry, we were wrong and it really costs a lot more than we thought it would so please give us more money.' So here we are looking at another campaign, but it can't be right away, and trying to keep it together until then."

◆ Artistic or Programmatic Compromises

The programming of almost 30 percent of the organizations has been affected negatively by their facility projects. Programming has been reduced over the long-term because of financial instability, and curtailed or artistically compromised in the short-term because staff are distracted by burdens of a project. Programming is sometimes impaired because of the inadequacy of an improperly constructed or designed building.

"I didn't really understand what this much debt would mean, how it would affect the choices we feel we can make with our programs. If I had known I might still have used debt, but less of it. I'd be more realistic about what it means."

In the words of one pressured theater manager at mid-point in a major project, *"We need somewhere to go for help, some way to understand the whole process and know what to expect. I don't want to learn how to be a real estate developer at the expense of this theater."*

- *Inadequate Technical Assistance:* Although facilities projects demand highly specialized skills, many arts organizations feel that they cannot afford to purchase project services. Arts organizations seek as much of their technical assistance as possible from pro-bono providers. This assistance can be beneficial, but limited. Professional liability stops architects, engineers and designers short of implementation. Volunteers are rarely able to commit full time. The real estate, legal and financial professionals who serve on the boards of arts organizations are a good source of guidance and often give helpful advice. But through no fault of their own, many do not understand the difference between commercial real estate ventures and the unique limits and needs of nonprofit arts organizations, particularly the nature of their growth and market.

- *Overly Narrow Advice:* Most technical assistance used by arts organizations for facility projects focuses on the facility itself or on fundraising. Whether professional or pro-bono, the assistance is highly specialized, addressing a narrow aspect of a complex process. Many organizations therefore undertake projects without fully considering organizational development and market issues, nor do they use project planning, project packaging or project management services when these are needed.

Only one-quarter of the organizations reported that strategic planning for organizational development was a fundamental step in their project, on either a formal or informal basis. Only a few organizations reported that an assessment of the market for their services was part of their project. Feasibility studies, which could provide an opportunity for a broad assessment of organizational capacity, were used only one-third of the time, and often focused on fundraising capacity or project cost, as opposed to the larger issue of whether the project makes sense for the organization.

We were surprised to find that capital planning was not addressed by the technical assistance providers of either the large-scale stabilization projects or the smaller, more broadly used advancement projects, even though both are committed to institutional planning issues.

- ♦ Inefficient Use of Resources

The cost of one quarter of the projects we examined was higher than intended. In many cases this was due to a lack of preparation or to inadequate planning or project management services. Many were not prepared to use debt financing when it became necessary. A great number of the institutions reported increased costs associated with the stop-start nature of the process.

"We tried to save money with a volunteer managing the contractors. He has real estate experience and offered to help as a contribution, but he was too busy to stay on top of it. We're in court now with the contractor and a mechanic's lien because of unauthorized change orders. We'll win, but we've spent all of our grant money and the project still isn't half finished."

"Sure we got financing; but it took us ten months, and constant negotiations. My entire board is guaranteeing the loan but they're doing it severally, not collectively, so think of the legal fees. Meanwhile the contractors are on hold, they can't take care of everything at once so they're working in bits and pieces and the cost is going up."

- *An Emphasis on Fast Growth:* Operating in a risk-oriented culture, arts organizations are not rewarded for practicing incremental growth. Many do not use managed growth as a guiding principal, for their programs or for their facility projects. Thus we see an increasing number of organizations of all sizes undertaking projects that are quite large in scale compared to the human and financial capacities of the organization.

- *A Belief in the Angels:* Arts organizations seek but then must respond to tremendous "one-time-opportunities". A magnanimous donor offers a building or an astounding financial contribution. Or an organization emerges as a political force or acclaimed cultural franchise able to generate unprecedented financial support. This creates great difficulty in maintaining a sense of proportion. Organizations often find themselves undertaking ambitious, risky projects involving large amounts of grants and insupportable levels of debt.

- *Projects Are Undertaken in Isolation:* With few exceptions, projects which are very complex relative to the capacities of organizations are undertaken by staff and board members acting in isolation. The guidance of experienced peers is not often sought or available, there is no counsel to question and evaluate assumptions, no way to challenge the myths or share information gathered from other projects.

- *Lack of a Central Source of Information:* The arts community lacks a mechanism to consolidate the lessons learned from facilities projects that could inform future endeavors. The experiences of successful as well as troubled projects dissipate without greater benefit. Likewise, lessons from the success or failure of local programs designed to assist facility projects rarely transfer effectively to other localities.

- *No Means to Achieve Scale and Efficiency:* Because the arts community is diverse, there is not a great need for any single resource. Specialized programs are created to serve those sectors of the arts community which are perceived to have the greatest problems with facilities. But the higher the level of specialization, the less opportunity for economies of scale. Likewise, there is little chance that innovation will occur or that enough demand will be generated to access resources that operate on a larger scale.

Eighty percent of the leaders of arts organizations stated they would welcome and use the services of a program for cultural facilities. While disasters are obvious indicators of need, the case for a better system need not be made based solely on problem projects. In many ways, the waste necessitated by a continual learning curve, or the operating struggles that follow a poorly conceived (but complete) project are even more compelling.

A RESPONSE TO THE NEED FOR ASSISTANCE

There is a Need for Systemic Change

We see the need to effect a basic change in the way that arts organizations undertake facility projects. Arts organizations and funders together must refocus resources on: 1) planning and pre-development, to ensure a sound project and to increase an organization's ability to mobilize and attract support; and 2) project management, to increase control over implementation. The principal change accomplished by this shift will be that facilities projects are planned and managed in light of the needs and capacities of arts organizations. The principal leverage to accomplish this change is financial. The argument for using financial leverage to accomplish change relies on a fundamental tenet:

Although arts organizations need and can use financing and grants designed to help them attract support and accomplish their projects, they will not be able to use these resources successfully without parallel technical assistance. And while arts organizations need technical assistance to help plan sound projects and implement them effectively, they will not use it unless it is linked to financing and grants.

Our findings suggest that an intermediary program with both financial and technical assistance capabilities can play a pivotal role as an agent of this change. We recommend that the program offer the following types of assistance:

- ♦ Assistance to Projects The program should provide individual arts organizations with challenge grants for planning, with flexible financing for pre-development and project implementation, and with resource-brokering assistance. Financing should be linked with help in obtaining and using expertise in planning, project packaging and management.
- ♦ Financial Intermediary Services The program should act as middleman to attract and redistribute resources, and to organize access to specialized funding, financing and technical services on a broad scale.
- ♦ Assistance to the Field The program should provide the field as a whole with a means of communication, information and training about facility projects, and a forum for policy research and advocacy to improve and create resources.

Technical Assistance, Financing and Grants for Projects

The proposed program would provide assistance to facility projects as they move through four distinct stages, each of which requires different sets of technical services and financial assistance. These services are pertinent regardless of the scope of the project or the size of the organization. The discussion of each program element is illustrated by an example of how a surveyed organization might utilize the proposed program.

- ♦ Stage I: Strategic Planning

The program should provide a preliminary screening, offering organizations the chance to think strategically about three points: 1) their capital needs in light of overall institutional goals, capacity and growth trends; 2) the role of planning in their project and the types of technical services their project

For example, the program might assist Friends of Photography, the San Francisco organization operating the Ansel Adams Center, to evaluate the opportunity to purchase its building and, if appropriate, to secure the necessary affordable long-term financing.

An Intermediary for Financial Resources

A middleman's role is to assemble or organize financing, and in some cases grant funding on a large scale, and then make it available to individual organizations at the local level. Activities undertaken in this capacity include:

- ♦ Obtaining Access to Favorable Financing

By pooling investments, the program could make available to individual organizations the favorable-rate financing offered by wholesale lenders. It is recommended that the program seek program-related investments as the basis for favorable-rate loan funds.

- ♦ Obtaining Access to Specialized Grant Funds

An intermediary service can assemble grant funds from national grantmakers interested in certain types of arts organizations or in certain special issues but unable to respond broadly to the projects of individual organizations. One possibility for a re-grant fund is to serve facility projects of community arts organizations.

- ♦ Broadening Availability of Public Financing

To provide a cost-efficient way for a greater number of organizations to benefit from long-term public financing, a strategy should be developed to broaden the availability of public financing. One approach would be to make medium term loans to individual projects, season the loans, and then pool them for re-sale to public finance authorities.

- ♦ Using Lending Capacities of Local Loan Funds

Wholesale lending arrangements should be developed that combine the lending expertise of a locality's established nonprofit loan funds with the intermediary program's arts-related lending experience.

Education, Information and Policy Advocacy for the Field

The program should work towards building capacity within the arts community as a whole to understand the mechanics of facility projects and to communicate useful experiences with peers.

- ♦ The Need for Education About Facilities

In order to promulgate a general understanding of facility issues and promote the practices necessary for successful facility development, the program should offer education to the field as a whole. Targeted to organizations at the earliest stages of thinking about facility concerns, an education program might take place nationally, regionally and locally and in conjunction with various service organizations. An education program should be adapted to the interests of various sized organizations and according to arts discipline or type of project. It should draw on the experience of the field and, when appropriate, coordinate with local or national institutes in other fields such as community and economic development.

THE MARKET FOR SERVICES AND RECOMMENDED PROGRAM MODEL

Overall Market for Assistance

In light of the study's findings, it is possible to define the market for facilities related services in the arts community in general and among particular types of arts organizations. The study confirmed that if financial and technical services were designed and delivered to meet the specific needs of arts organizations, they would undoubtedly be used. Because facilities are typically an ongoing concern, rather than a singular event in an institution's life, the demand for services can be expected to continue to grow. This demand can be characterized in two ways:

The Core Market: The primary need for assistance is among large, mid-size and small organizations experiencing growth. They tend to pursue ambitious undertakings and are in need of assistance to accomplish facility projects that are appropriate to their stage of institutional development.

The General Market: There is an overall need for assistance among all arts organizations addressing chronic facility concerns, such as acquisition, code compliance, upgrading technical systems, leasehold improvements, maintenance, and asbestos abatement.

About half of the organizations in each locality will need general informational services, such as contacts with peers, referrals to technical assistance providers, and preparatory training. The other half of the organizations will need more specific assistance appropriate to the various stages of project development.

Major institutions (above \$10 million in annual revenues) are not part of the proposed program. They often need assistance; in some cases their projects are as troubled as those of smaller organizations. But they are able to acquire financing independently, and because of the prominence of their board members, have direct access to special services, such as bond counsel, financial packaging, etc.

Recommended Program Model

An appropriate model for a program to serve the facility needs of the arts community must incorporate several key components. These components support the successful delivery of services and the achievement of economies of scale.

- ♦ Emphasis on Financing

The program will focus on debt financing and to a much lesser extent grant funding, and the program's structure will be designed to maximize the success of this strategy. Flexible financing is the leverage needed to achieve changes in the funding environment and to enhance the project planning and implementation capacity of individual arts organizations. Because services are available locally, a new source of technical assistance is not necessary, provided that there is the understanding and means to use it effectively.

- ♦ Local Connections

A strong local focus will ensure successful lending and result in the greatest impact on local resources. Lending to arts organizations requires close connections to the local cultural community and

information already exists for the community-development field in many localities, or it can easily be organized.

While much of the financing and grantmaking will be done by the program directly, it will be possible to work with some community or local loan funds on a sub-contract basis to serve sectors of the arts community efficiently. Program staff can concentrate their specialized skills as necessary, and draw on the technical lending capacities of these established lenders.

Operating Agent

Several organizations with pertinent skills were evaluated as potential candidates to operate a program of assistance for cultural facilities. Among these organizations, the facilities financing and technical services program operated by the Nonprofit Facilities Fund (NFF) appears to be most consistent with an effort to serve the overall arts community, particularly in light of its work with cultural organizations to date. Given the idea of an interim four-year period and the development and testing that will likely be done, it would be appropriate for NFF to serve as the incubator during an interim step in the program's development.

APPENDIX

INTERVIEWEES

Chicago

Arts Organizations

Ms. Abena Joan Brown, President
ETA Creative Arts Foundation

Ms. Suzanne Brown, Director of Theater Development
Navy Pier

Mr. Kevin Consey, Director
Museum of Contemporary Art

Ms. Patricia Devine-Reed, Executive Director
Boulevard Arts Center

Mr. Daniel Duell, Artistic Director
Mr. Randall Green, Managing Director
Ballet Chicago

Mr. Stephen Eich, Managing Director
Mr. Bruce Sagan, Board President
Steppenwolf Theatre

Ms. Meryl Friedman, Producing Director
Lifeline Theatre

Ms. Sandra Furey, Executive Director
Urban Gateways

Ms. Dulcie Gilmore, CEO
Auditorium Theatre

Dr. David Hennage, Vice President Administration
Museum of Science and Industry

Ms. Ruth Higgins, General Manager
Ms. Joan Mazonelli, Managing Director
Theatre Building

Mr. Jim Hirsch, Director
Old Town School of Folk Music

Mr. Dick Huitema, Director of Planning
Ms. Ann Merino, Development Director
WBEZ

Ms. Ida Jeter, Executive Director
Center for New Television

Mr. Ron Manderschied, Executive Director
Northwestern University Settlement

Mr. William McCarter, President
WTTW

Mr. Harry Meyer, Assistant Director
Greater Southwest Development Corporation

Mr. Richard Odell, Head Master
Chicago Academy for the Arts

Ms. Dorris Pickens, President
The Neighborhood Institute

Mr. Victor Podagrosi, Artistic Director
Child's Play Touring Theatre

Ms. Harriet Ross, Associate Artistic Director
Joseph Holmes Chicago Dance Theatre

Ms. Dianne Sautter, Executive Director
Chicago Children's Museum

Mr. Roche Schulfer, Producing Director
Goodman Theatre

Ms. Rita Simo, Director
People's Music School

Mr. Larry Sloan, Artistic Director
Remains Theatre

Mr. Peter Taub, Executive Director
Randolph Street Gallery

Ms. Helen Valdez, President
Mexican Fine Arts Center Museum

Mr. Russ Vandenbroucke, Artistic Director
Northlight Theatre

Mr. Lee Webster, Board President
Independent Literary Publishers Association

New England

Arts Organizations

Mr. David Brown, General Manager
Boston Ballet
Boston, MA

Ms. Nancy Brownstein, Project Director
Capitol Theatre
Concord, NH

Mr. Umberto Crenca, Artistic Director
Artists Space 220
Providence, RI

Ms. Clara Garcia, Executive Director
Inquilinos Boricuas en Accion
Jorge Henandez Cultural Center
Boston, MA

Mr. Wilson H. Faude, Executive Director
Old State House
Hartford, CT

Ms. Susan Hartnett, Executive Director
Boston Center for the Arts
Boston, MA

Ms. Claudia Hautaniemi, Director
Ms. Rozann Kraus, Director
New Dance Complex
Cambridge, MA

Ms. Anne Hawley, Executive Director
Isabella Stewart Gardner Museum
Boston, MA

Mr. Donald Hirsch, Interim Managing Director
Barre Opera House
Barre, VT

Mr. Richard Lappin, Comptroller
Institute of Contemporary Arts
Boston, MA

Mr. Sam Miller, Executive Director
Jacob's Pillow
Lee, MA

Ms. Katherine Knowles, Executive Director
LJA Arts
Lewiston, ME

Ms. Diane Kopec, Executive Director
Abbe Museum
Bar Harbor, ME

Ms. Laurie Moffatt, Director
Norman Rockwell Museum
Stockbridge, MA

Ms. Janice O'Donnell, Executive Director
Children's Museum of Rhode Island
Pawtucket, RI

Mr. Peter Plumb, Campaign Co-Chairmen
Greater Portland Cares
Portland, ME

Ms. Janet Ressler, Executive Director
Montpelier City Hall Arts Center
Montpelier, VT

Ms. Andrea Rogers, Director
Flynn Theatre
Burlington, VT

Mr. Michael Ross, Business Manager
Hartford Stage
Hartford, CT

Ms. Peggy Senter, Executive Director
Concord Community Music School
Concord, NH

Mr. Josiah Spaulding, President & General Manager
Wang Center
Boston, MA

Ms. Betsy Tarlin, Development Director
Ms. Linda Snyder, Project Manager
Boston Children's Museum
Boston, MA

Mr. Jim Ugone, Principal
Caribou Performing Arts Center
Caribou, ME

Mr. Tom Wolf, Artistic Director
Bay Chamber Concerts/Rockport Opera House
Rockport, ME

New England

Resources continued

Mr. John Ostrout, Executive Director
Connecticut Commission on the Arts
Hartford, CT

Mr. Walter Palmer, Vice President External Affairs
Raytheon Company
Lexington, MA

Mr. David Rockwell, Vice President
Ms. Anna Marie Colton, Vice President
Shawmut Bank N.A.
Boston, MA

Mr. Earl Shettleworth, Director
Mr. Robert Bradley, Assistant Director
Maine Historic Preservation Commission
Augusta, ME

Ms. Holly Sidford, Executive Director
Mr. Michael Moore, Deputy Director
New England Foundation for the Arts
Cambridge, MA

Ms. Gracelaw Simmons, Vice President
Associated Grantmakers of Massachusetts
Cash Loan Fund
Boston, MA

Ms. Elizabeth Smith, Executive Director
Godfrey M. Hyams Trust
Boston, MA

Ms. Anne-Marie Soulliere, Director
Fidelity Foundation
Boston, MA

Mr. Carl Sussman, Executive Director
Community Economic Development Assistance Corporation
Boston, MA

Mr. John Swope, President
Chubb Life America
Concord, NH

Mr. Matt Thall, Program Director
Boston LISC
Boston, MA

Ms. Suzanne Watkin, Executive Director
Ms. Klare Shaw, Assistant Director
Boston Globe Foundation
Boston, MA

Mr. Owen Wells, Trustee
Libra Foundation
Portland, ME

Mr. Alden Wilson, Executive Director
Maine Arts Commission
Augusta, ME

Philadelphia

Resources

Mr. Jeremy Alvarez, Executive Director
Central Philadelphia Development Corporation

Ms. Judith Bardes, Executive Director
Douty Foundation

Mr. Harry Cerino, Executive Director
Ms. Helen Davis Picher, Program Officer
William Penn Foundation

Ms. Cathryn Coate, Executive Director
Greater Philadelphia Cultural Alliance

Mr. Ray Desiderio, Senior Vice President
Ms. Joan Cadigan, Commercial Loan Officer
Continental Bank

Ms. Alexandra Fogel, Executive Director
Delaware Valley Grantmakers

Mr. William Hankowski, President
Philadelphia Industrial Development Corporation

Ms. Donna Harris, Vice President for Program Development
Mr. David La Fontaine, Director Artist's Housing Program
Philadelphia Historic Preservation Corporation

Ms. Ann Hoskins-Brown, Director
Artspace Collaborative

Mr. Owen Killian, Executive Vice President
Ms. Kate Allison, Contributions Manager
Fidelity Bank

Mr. James Kise
Kise, Franks and Straw

Ms. Mary Kuhn, Executive Director
Stockton Rush Bartol Foundation

Ms. Sondra Myers
Cultural Advisor to the Governor

Mr. Jeremy Nowak, Executive Director
Delaware Valley Community Reinvestment Fund

Mr. William Parshall, Director Community Affairs
Hunt Manufacturing

Mr. Tom Patterson, Vice President
PNB/CoreStates

Ms. Carol Perry, Executive Director
Ms. Rochelle Nichols Solomon, Program Officer
Philadelphia Foundation

Mr. Michael Rubinger, Associate Executive Director
Ms. Marian Godfrey, Program Director, Culture
Ms. Beth Denitz, Program Officer
The Pew Charitable Trusts

Mr. Mark Schwartz, Executive Director
Regional Housing Legal Services

Mr. Mike Tierney, Program Director
Local Initiatives Support Corporation

Ms. Ella King Torrey
Pew Fellowship in the Arts

Mr. Chris VandeVelde
OMG

Mr. Arnold Wright, Jr., Executive Director
CIGNA Foundation

San Francisco Bay Area

Resources

Ms. Barbara Barclay, Program Officer
Mr. Nicholas Bollman, Program Officer
The William & Flora Hewlett Foundation

Mr. Roberto Barragan, Executive Director
Ms. Victoria Ruiz, Financial Analyst
Mission Economic Development Association

Ms. Dari Barzel, Financial Services Manager
ABAG Financial Services

Ms. Caroline Boitano, President and Executive Director
BankAmerica Foundation

Ms. Elisa Boone, Vice President
Mr. Mel Carriere, Vice President, Community Development
Wells Fargo Bank

Ms. Joanne Chow Winship, Director of Cultural Affairs
San Francisco Arts Commission

Ms. Myra Chow, Manager Community Affairs
Levi Strauss Foundation

Mr. Peter deCourcy Hero, Executive Director
Community Foundation of Santa Clara County

Ms. Susan Diekman, Cultural Program Director
Pacific Telesis Foundation

Mr. Michael Freedland, Director of Community Lending
Citibank

Ms. Lorraine Garcia-Nakata, Program Officer
Ms. Carolyn Evans, Policy and Research Officer
Marin Community Foundation

Ms. Francesca Gardner, Program Officer
Ms. Constance Walker, Program Officer
Mr. John Orders, Program Officer
The James Irvine Foundation

Ms. Nancy Glaze, Program Officer
David and Lucile Packard Foundation

Mr. James Head, Executive Director
National Economic Development Law Center

Ms. Mary Anne Hedderson, Manager
Oakland Cultural Arts Division

Mr. Edward Helfeld, Executive Director
San Francisco Redevelopment Agency

Ms. Sheila Hill-Fajors, President
Ms. Moira Sheck So, Consultant
United Way: Nonprofit Services, Inc.

Mr. John Kreidler, Program Executive
Mr. John Wong, Program Fellow
Arts and Humanities
The San Francisco Foundation

Mr. Joe Latorre, Coordinator
Performing Arts Loan Fund
Grants for the Arts

Mr. Tom Layton, Executive Director
Wallace Alexander Gerbode Foundation

Mr. Maurice Miller, Executive Director
Asian Neighborhood Design

Mr. Thomas Mills, Program Director
Local Initiative Support Corporation

Ms. Sandra Pyer, Executive Director
East Bay Community Foundation

Mr. Skip Rhodes, Manager, Corporate Contributions
Chevron Companies Foundation

Ms. Alma Robinson, Executive Director
Ms. Jennifer Spangler, Director
California Lawyers for the Arts/ArtHouse

Ms. Kary Schulman, Director
Grants for the Arts

Mr. Sterling Speirn, Senior Vice President
Peninsula Community Foundation

Ms. Theo Steele, Program Administrator
Pacific Foundation Services

Mr. Don Turner, Executive Director
Bridge

Ms. Caroline Tower, President
Northern California Grantmakers
Arts Loan Fund

Ms. Gloria Woodlock, Program Manager
California Arts Council

Cleveland, Ohio

Mr. David Bergholz, Executive Director
Ms. Deana Epstein, Program Officer
Mr. Dan Berry, Program Officer
The George Gund Foundation

Mr. Bob Bann, Executive Director
North Coast Harbor, Inc.

Ms. Kathleen Cerveny, Program Officer
Cleveland Foundation

Ms. Susan Channing, Director
SPACES, Inc.

Mr. Tom Cox, Director
Neighborhood Progress, Inc.

Mr. Robb Curry, Director
Local Initiatives Support Corporation

Ms. Patricia Doyle, Director
Cleveland Aquarium

Mr. Flavio Marsciglia, Chairman
Centro Culturo Hispano

Mr. Ken Pinkerton, Director
University Circle, Inc.

Mr. Ed Reeves, Board Chairman
Afro-American Museum

Ms. Januce Small, Director
NOVA

Ms. Margery Talalay, Director
Cleveland Center for Contemporary Art

Ms. Harriet Wadsworth
Cleveland Arts Consortium

Ms. Dorothy Weise
Grantmakers Forum

Houston, Texas

Ms. Lousia Sarofim, President
Ms. Katherine Dobleman, Executive Director
Brown Foundation

Ms. Suzanne Delehanty, Director
Contemporary Arts Museum

Mr. Gary Dunning, Executive Director
Houston Ballet Academy

Ms. Caroline Huber, Co-Director
Diverse Works, Inc.

Ms. Jane Jerry, Chairman
The Children's Museum of Houston

Ms. Virginia Lang, Executive Director
Business Volunteers for the Arts

Mr. Truett Latimer, President
Houston Museum of Natural Science

Ms. Jane Lowery, Executive Director
Texas Accountants and Lawyers for the Arts

Mr. Toby Maddox, Director
Society of the Performing Arts
Jesse H. Jones Hall

Ms. Marion McCollam, Executive Director
Ms. Floria Marcia Garcia, Director of Arts Task Force
Cultural Arts Council of Houston

Dr. Peter Marzio, Director
Glassell School of Art
Museum of Fine Art

Mr. David Nelson, Director
Houston Endowment

Ms. Heather Simpson, Development Director
Alley Theatre

Milwaukee, Wisconsin

Mr. Jim Marks, Program Officer
Milwaukee Foundation

Mr. Dean Amhaus, Executive Director
Wisconsin Arts Board

Ms. Connie Bach
Donor's Forum of Wisconsin

Ms. Pam Garvey, Cultural Affairs Officer
Milwaukee Arts Board

Mr. Gary Goode, Executive Director
Milwaukee Symphony

Ms. Lisa James, Fine Arts Manager
Alverno College

Mr. Michael Joyce, President
The Lynde and Harry Bradley Foundation

Ms. Jane Keegan, Director
Skylight Opera Theatre

Mr. Dan McCarthy
Milwaukee Community Development Office

Ms. Sara O'Connor
Milwaukee Repertory Theatre

Ms. Cynthia Pitz, Executive Director
Milwaukee Inner-City Arts Council

Mr. Phil Procter, Director
Pabst Theatre

Mr. Archie Sarazin, Consultant

Mr. Michael Stirdivant, Director
The Performing Arts Center

Mr. Howard Snyder, Director
Northwest Side Community Development Corporation

Minneapolis/St. Paul, Minnesota

Mr. Neal Cuthbert, Program Officer
The McKnight Foundation

Mr. Jim Czarniecki, Executive Director
Mr. Paul Orman, Deputy Director
Minnesota Museum of Art

Mr. David Gallagan, Administrative Director
Walker Art Center

Ms. Jennifer Halcrow, Development Director
Theatre de la Jeune Lune

Mr. Warren Hanson
St. Paul Planning & Economic Development
Community Reinvestment Fund

Mr. Phill Lindsay, Arts Economic Development Specialist
Minneapolis Community Development Agency

Mr. Edward Martenson, Executive Director
Guthrie Theatre

Ms. Doris Overby, Executive Director
Hennepin Center for the Arts

Ms. Teresa Sterns, Project Manager
Department of Planning & Economic Development

Mr. Steve Antenucci, Executive Director
Theatre in the Round Players

Mr. Steve Barberio, Executive Director
Child's Play Theatre Company

Ms. Karen Drummer, Executive Director
Children's Museum

Ms. Lyndel King, Director
University Art Museum

Ms. Barbara Davis, Executive Director
Resources & Counseling for the Arts

Ms. Catherine Jordan, Executive Director
United Arts

Mr. David Moore, Jr., Executive Director
Playwrights Center

Mr. James Peterson, President
Science Museum of Minneapolis

Ms. Susan Stevens
Minnesota Nonprofit Assistance Fund

Seattle Washington

Mr. Peter Donnelly, Director
Mr. Dwight Gee
Corporate Council for the Arts

Mr. Eli Ashley, Director
Broadway Theater Center

Ms. Carol Borgman, Concert Hall Campaign Director
Seattle Symphony Orchestra

Mr. David Bruster
Landmark Concert Hall Project

Mr. John Firman, Executive Director
Washington State Arts Commission

Ms. Kristina Gonzales Olson, Associate Director
Ms. Vicky Lee, Arts Program Coordinator
King County Arts Commission

Mr. Steven Guy, Assistant Director
Seattle Arts Commission

Mr. Robb Hunt, Director
Issaquah Village Theatre Complex

Mr. Arthur Jacobus, President & CEO
Pacific Northwest Ballet

Mr. Don Krupp
Washington State Department of Community Development

Mr. Ben Moore, Managing Director
Seattle Repertory Theatre

Ms. Susan Moritz
A Contemporary Theatre - ACT

Mr. Paul O'Connell
Seattle Group Theatre

Mr. Tom Petchar, Director
Seattle Children's Theatre

Ms. Virginia Peterson, Director
Ms. Margaret Wetter, Booking
Seattle Center

Mr. Richard Andrews, Director
Henry Art Gallery

Ms. Mariann Forsblad, Director
Nordic Heritage Museum

Ms. Diane Douglas, Director
Bellview Art Museum