

Financial Feasibility Study for The New JACC

PREPARED FOR:

The Partnership

March 2019

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The Partnership is a 501(c)(3) Alaska non-profit corporation established by the Juneau Arts and Humanities Council (JAHC) to undertake the construction of a new arts and culture facility in Juneau.

March 2019

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Table of Contents

- Summary of Key Findings..... 1**
- Introduction and Methodology 4**
 - Introduction 4
 - Methodology..... 4
- Facility Overview and Capital Costs 6**
 - Programming..... 6
 - Estimated Capital Costs 7
- Market Analysis 8**
 - Performance and Event Facilities..... 8
 - Performing Arts Community 9
 - Juneau Population and Visitation 10
- Estimated Revenue Potential 11**
 - Theater Usage and Revenue 11
 - Event Space Rental and Revenue..... 13
 - Other Earned Revenue Sources 17
 - Grants and Fundraising..... 19
- Estimated Operating Expenses 21**
 - Summary of Estimated Expenses 21
 - Payroll and Benefits..... 21
 - Heat and Electric..... 22
 - Other Expenses 23
- Pro Forma Potential Cash Flow Analysis..... 25**
 - Estimated Annual Net Income/Loss..... 25
 - Five-Year Pro Forma Cash Flow Analysis..... 26
- Development Recommendations 27**
 - Facility Design..... 27
 - Financial Performance..... 27
- Appendix..... 29**
 - Project Contacts 29
 - Juneau Facility Capacity and Rates 30
 - Alaska Center for the Performing Arts..... 35
 - Reference Documents 35

Summary of Key Findings

Project Overview

The Partnership contracted with McDowell Group to analyze the *Financial Feasibility of the New JACC*. This new facility will replace the existing Juneau Arts and Culture Center (JACC). Key components of the 44,500 sq. ft. building include a 300-seat theater, a main hall, a versatile event studio, a large atrium, and additional spaces to complement facility usage and generate revenue including a café, gallery, gift shop, office spaces, and smaller areas to convene. Capital costs to complete the New JACC are estimated at \$26.4 million.

Financial estimates were based on a wide array of information sources including historical usage and financial performance of the JACC; analysis of financials for Centennial Hall and facilities in other Alaska communities; executive interviews with a wide array of organizations likely to be engaged with the New JACC; competitive examination of Juneau facilities including capacity, rates, attributes, and limitations; insights from JACC management, and project team experience.

Market Analysis

The New JACC provides a significant upgrade to Juneau's theater and event space. Juneau's performance facilities have substantial limitations including inappropriate size, lack of raked seating, scheduling conflicts, inability to serve alcohol, and facility designs that impede sound quality and sightlines.

As part of the "Willoughby District," the New JACC creates synergies with Centennial Hall and several recently constructed or renovated facilities, including Father Andrew P. Kashevaroff State Library, Archives, and Museum; Elizabeth Peratrovich Hall; KTOO's @360 studio; and the Walter Soboleff Building. While these facilities are competitors, they also attract residents and visitors to the downtown area, increasing potential café, retail, and event ticket sales.

Juneau's growing visitor industry also represents opportunity for the New JACC. Summer visitation exceeded 1.2 million in 2018, with cruise passengers representing 94 percent of the market. Continued growth is anticipated, with more than 1.3 million cruise passengers expected in 2019.

As a cautionary note, Juneau has experienced a slight reduction in population in recent years and changing demographics. However, arts and culture are vibrant and vital to Juneau residents, and project momentum is strong and growing. Juneau's recent top ten ranking for most vibrant small American communities reflects the level of economic activity and support for the arts.

Financial Analysis

The New JACC is larger than the current facility, creating new revenue-generating potential and requiring additional personnel and other operational expenses. Earned revenues will be supplemented annually with funds from the Juneau Community Foundation New JACC Endowment and annual fundraising efforts.

Paid event space rentals are projected to increase from 175 in 2018 (full facility and the community hall) to 230 rentals for the full facility, new hall, and event studio combined. Additionally, 100 new rentals are projected for the atrium, patio, gallery, and meeting rooms combined.

In the mid-case scenario, revenue is estimated at \$570,000 by Year 3 of operations, with the largest sources of revenues from theater and event space rentals. This estimate does not reflect potential revenue from summer productions targeting Juneau’s visitors. In the high-case scenario, facility rental revenue could increase by another \$80,000 to \$160,000, plus potential incremental revenue from retail sales and ticketing.

In the mid-case scenario, with estimated expenses of \$519,000, the facility is projected to generate net income of \$51,000 in Year 3, when it reaches normalized operations.

Cash Flow Estimate, Year 3

Revenue/Expenses	Amount
Revenue	
Theater rental	\$100,000
Event space rental	\$126,000
Rental equipment and services	\$35,000
Leased space	\$52,000
Retail space net	\$50,000
Concessions/alcohol sales net	\$25,000
Café lease	\$17,000
Ticketing	\$69,000
Gallery space net	\$6,000
Fundraising	\$40,000
JCF support	\$50,000
Total Estimated Revenue	\$570,000
Expenses	
Payroll and benefits	\$280,000
Heat/electric	\$110,000
Insurance	\$24,000
Supplies	\$14,000
Marketing	\$15,000
Equipment	\$12,000
Capital replacement fund	\$10,000
Waste	\$9,500
Repairs/maintenance	\$7,500
Telephone/internet	\$7,000
Water/sewer	\$4,000
Shipping/postage	\$1,000
Miscellaneous	\$25,000
Total Estimated Expenses	\$519,000
Net Income/Loss	\$51,000

The New JACC will likely experience lower revenues while the new facility gains market acceptance, resulting in a deficit of \$46,000 in Year 1 and \$4,000 in net revenue in Year 2. Slight increases in anticipated repairs and maintenance costs are anticipated in Years 4-5, resulting in estimated income of about \$48,500.

Pro Forma Estimated Cash Flow Analysis, Years 1-5

	Year 1	Year 2	Year 3	Year 4	Year 5
Estimated revenue	\$466,000	\$518,000	\$570,000	\$570,000	\$570,000
Estimated expenses	\$512,000	\$514,000	\$519,000	\$521,500	\$521,500
Net profit/loss	(\$46,000)	\$4,000	\$51,000	\$48,500	\$48,500

Introduction and Methodology

Introduction

Juneau's long-held vision of upgrading performing arts and event space has been gaining momentum. To facilitate community support and fundraising, The Partnership contracted with McDowell Group to analyze the *Financial Feasibility of the New JACC*.

Key components of the new 44,500 sq. ft. facility include:

- A 300-seat theater with an orchestra pit, state-of-the-art sound and lighting, and support facilities including a green room, dressing rooms, scene shop, and control room.
- A spacious community hall and nearby warming kitchen and storage area.
- An event studio that can accommodate 100 to 150 people for performances, events, weddings, rehearsals, classes, and more.
- A large atrium that can be used for performance and event space.
- Additional spaces include a café, gallery, gift shop, office spaces, and other areas that support the theater and event space, enhance the experience for clientele, provide space for Juneau Arts and Humanities Council operations, and augment revenue generation potential.

The Juneau Arts and Humanities Council (JAHC) has provided considerable support to project planning, promotion, and fundraising. As with the existing JACC, JAHC will have a continued role in facility operations and marketing. In 2018, the City and Borough of Juneau signed an agreement with JAHC to manage Centennial Hall, providing additional operational synergies.

Methodology

The study provides an overview of the new facility concept and programming, construction costs based on facility plans at the 65 percent design phase, and updated estimates for operating revenue and expenses. McDowell Group's approach to feasibility studies is to be conservative regarding revenue generation and reflect reasonable expenses.

McDowell Group conducted a comprehensive analysis of the proposed facility in 2015. The two-part study provided a base for this more streamlined update. The *Market Demand Assessment* tasks included a review of more than a dozen prior studies and planning documents; a competitive analysis and interviews with existing facility managers; interviews with 29 potential theater users; and interviews with Travel Juneau representatives, visual and recording artists, food and beverage providers, event planners, and other key contacts. The resulting study provided low and high case scenarios for theater rental and other revenue-generating spaces.

The *Financial Feasibility Assessment*, finalized in November 2015, reflected a 300-seat theater and upgraded spaces at the JACC. Capital cost estimates were developed in collaboration with MRV Architects and HMS, Inc.

Operating costs, revenues, and strategies to enhance financial performance were based on extensive analysis of historical data for the JACC; financial information and interviews with ten comparable facilities; and the project team's extensive experience in facility operations. Projections were presented in low-, mid-, and high-case scenarios alongside historical information for the JACC. The analysis also included a five-year pro forma cash flow estimate.

Financial projections were updated in a streamlined analysis in October 2016 to reflect the demolition of the existing facility and construction of the all-new space. Updated programming and design, completed by Hacker and NorthWind Architects, enhanced revenue-generation potential.

Overview of 2019 Study Components

The 2019 update incorporates and builds on findings from these previous analyses. The updated market demand estimates reflect evolution in facility size and design, as well as changes in Juneau population, visitor industry growth, and updates to performance and event space.

The project team conducted interviews with an array of performing arts community representatives, non-profits involved in community events, cruise lines, tour operators, and others who will likely be involved in promotion and production of performances and events.

The study team analyzed a wide range of data concerning financial performance, usage, rates, seating capacity, and other information from several comparable facilities, including those listed below.

- Alaska Center for the Performing Arts (Anchorage)
- Centennial Hall (Juneau)
- Juneau Arts and Culture Center
- Nolan Center (Wrangell)
- Sitka Harrigan Centennial Hall
- Ted Ferry Civic Center (Ketchikan)
- Valdez Civic and Convention Center

Additionally, information was compiled regarding capacity and rates for several Juneau facilities commonly used for performances and events. The project team acknowledges the ongoing support and responsiveness of JAHG staff and community members throughout the project.

The financial feasibility assessment was updated following extensive review of prior analysis and reports, updated facility programming and design, detailed analysis of recent financial information for the JACC and comparable facilities, and numerous additional interviews conducted to inform this analysis. The project team also drew on considerable experience working directly in the hospitality industry, destination and facility marketing, and feasibility studies for comparable public and private facilities.

Facility Overview and Capital Costs

The new facility will replace the existing JACC, augmenting downtown Juneau’s growing arts and events district. In particular, the New JACC creates synergies with Centennial Hall and several recently constructed or renovated facilities, including Father Andrew P. Kashevaroff State Library, Archives, and Museum Building (APK); Elizabeth Peratrovich Hall; KTOO; and the Walter Soboleff Building.

Programming

As currently designed, the two-story New JACC is nearly 44,500 sq. ft. Key functional areas and their respective sizes are outlined in the table below.

New JACC Programming

Space	Sq. Ft.
Theater-Related Spaces	
Theater with 2 nd floor balcony	6,021
Scene loading/staging	1,273
Dressing rooms	1,075
Green room	246
Control room	286
Sound studio	958
Box office	160
Other Revenue-Generating Spaces	
Seminar/meeting rooms	620
Event studio	1,594
Community hall for functions and banquets	4,955
Warming kitchen	393
Cafe	468
Art gallery	722
Gift shop	815
Lobby	5,140
Courtyard	2,219
Leased office space (six)	902
Juneau Arts and Humanities Spaces	
JAHC offices (five) and work space (meeting)	978
Other Spaces	
Public, mechanical, and storage	15,657
Total Sq. Ft	44,482

Source: New JACC team and Northwind Architects.

Estimated Capital Costs

Capital costs to complete the New JACC are estimated at \$26.4 million; cost estimates were generated in 2016 based on 65 percent design. Actual costs could vary somewhat once final design and architectural plans are completed.

The current JACC building will be demolished and removed from the site. The cost of demolition is included in the \$830,000 site development cost. The estimate also includes furnishings, paving, and contractor’s contingency.

The Partnership is working with the general contractor on strategies to control costs and expedite project completion. For example, Centennial Hall is adjacent to the New JACC site and has funds allocated by CBJ for a new HVAC system. An expanded, integrated HVAC system could encompass both facilities and generate substantial savings.

Estimated Facility Costs	
	Estimated Cost
Site development	\$830,000
Facility construction	\$21,800,000
Equipment and fixtures	\$2,770,000
Contingency	\$770,000
Parking	\$250,000
Total	\$26,420,000

Source: New JACC team and Northwind Architects.
Note: Figures have been rounded.

The following section presents an analysis of the existing market for performance space in Juneau, noting changes since the last study was conducted. An overview of population and visitation trends is also provided.

Performance and Event Facilities

Primary performance and event spaces are described below. A summary of capacity and rates is provided for these facilities in the Appendix, plus an array of additional event spaces. (Note: The list of spaces reflects input from performing arts organizations and event planners as well as project team observations.)

- **Centennial Hall:** With a capacity of 1,100 seats, Centennial Hall is the largest facility for performances and events in Juneau. The main ballroom can be divided into two or three individual halls. Centennial Hall is frequently used for meetings, conferences, events, and banquets. Maximum banquet seating is 610. The flat floor and acoustics are a limitation for performances.
- **High School Auditoriums:** The JDHS auditorium has a capacity of 1,000, and the TMHS auditorium has a capacity of 500. Aside from the Egan Lecture Hall at UAS, they are the only raked-seating venues.
- **Juneau Arts and Culture Center (JACC):** The main hall has a maximum capacity of 240. The space is heavily utilized despite the flat floor, extremely limited kitchen facilities, and modest aesthetics.
- **Elizabeth Peratrovich Hall:** Recently upgraded, the hall has a maximum banquet capacity of 404, sub-dividable space, contemporary audio-visual systems, a stage, and a fully equipped commercial kitchen.
- **Chapel by the Lake:** The facility seats 250 in the main sanctuary and 75 in Smith Hall. It is frequently used for performances, rehearsals, and events.
- **Northern Lights Church:** The main sanctuary has capacity of 210, and the fellowship hall has a capacity of 80.
- **Church of the Holy Trinity:** Three spaces are available for performances and events: McPhetres Hall, the main sanctuary, and a conference/rehearsal room. The hall and conference area can hold 80 to 175 people, depending on seating configuration. The sanctuary seats 130.
- **Resurrection Lutheran Church:** The church has a capacity of 100.
- **Father Andrew P. Kashavaroff Library, Archives, and Museum Building:** Operated by the State of Alaska, the new facility has several spaces that can be used for performances, lectures, and events. Maximum capacity in the atrium is 240, small meeting room is 150, and museum gallery is 350.
- **Walter Soboleff Building:** The Tribal House is used primarily for events sponsored by Sealaska Heritage, including traditional dance, music, and storytelling. The versatile space has also been used for fashion shows, concerts, and literacy events. Maximum capacity is 150 in the Clan House, 100 in the exhibit space, and 100 in the lobby.
- **UAS Library and Egan Lecture Hall:** The lecture hall can accommodate 150 people and, aside from the high school auditoriums, is the only other space available to the public with raked seating. The Library has an atrium that is commonly used for presentations, receptions, and events.

Limitations of Existing Facilities

There are several significant limitations in existing facilities:

- Lack of raked seating impedes visibility and acoustics for audience members.
- Facility size is inappropriate for groups between 225 to 350 attendees, a common size for many events. Existing facilities are either over capacity or too empty.
- Spaces are not designed for performances. Many performances take place in churches, with altars and other fixtures visible. Pew-style seating decreases the intimacy of the performance. Lighting, sound, risers, and other equipment must be brought into the venue, increasing set-up time and limiting capacity.
- In many locations, performance and event scheduling is secondary to the primary mission of education or faith.
- Many facilities prohibit alcohol consumption, limiting revenue-generating potential and the guest experience.

Performing Arts Community

The 2015 study included interviews with 29 performing arts groups, encompassing virtually all arts-related organizations and the vast majority of performing arts-related demand. The groups included theater, dance, opera, concerts, storytelling, film, poetry, and other arts organizations.

Several key findings remain relevant for this study:

- The most common type of performance was concerts, represented by about half of the identified groups. Live theater was the second most common performance group.
- The groups represented 350 annual performance days. The number of performance days per group ranged from 1 to 94 (Perseverance Theatre), with most groups falling between 5 and 10 performance days annually.
- Besides Perseverance, other groups with a high number of performances included Theatre in the Rough (45), Juneau Lyric Opera (21), Juneau Jazz and Classics (20), and JAHC (15).
- The most frequently cited venues were Centennial Hall, the two high school auditoriums, the JACC, and churches.
- Average audience attendance for each group ranged from 20 to over 800. The most common range was 150 to 300, accounting for 193 performance days out of the 350 identified.
- Some price sensitivity was expressed, offset by increased revenue-generating potential and the need for an appropriate, high-quality facility.

To update usage projections, interviews were conducted with a selection of performing arts groups, meeting and event planners, marketing organizations, and suppliers. A list of interview contacts is provided in the Appendix.

Juneau Population and Visitation

Juneau's population dropped slightly over the past five years, by 2.3 percent, to an estimated 32,247 residents in 2018. While the population has been fairly stable, the community has been watching for signs of economic strain resulting from lower oil prices and reduced State of Alaska spending and employment. The regional population declined by nearly 2,000 residents (2.1 percent) over the same period.

Population Estimates, Juneau and Southeast Alaska 2014-2018

Year	Juneau	Southeast Alaska
2014	33,000	74,432
2015	33,128	74,302
2016	32,705	73,753
2017	32,302	72,956
2018	32,247	72,876

Source: Alaska Department of Labor and Workforce Development.

Juneau welcomed an estimated 1,229,100 out-of-state visitors between May and September of 2018. Cruise passengers represented 94 percent of the total (1,151,100); air visitors represented 5 percent (63,000), and ferry visitors represented 1 percent of visitors (15,000).

Since the last time Juneau visitor volume was measured in 2016, the total number of visitors increased by 13 percent, from 1,093,000 to 1,229,100. Most of the increase was attributable to the cruise market, which increased by 13 percent.

Juneau Visitor Volume, 2016 and 2018

	2016	2018	% Change
Cruise	1,015,000	1,151,100	+13%
Air	61,000	63,000	+3%
Ferry	17,000	15,000	-12%
Total	1,093,000	1,229,100	+13%

Source: Alaska Visitor Statistics Program 7, McDowell Group estimates.

Continued cruise growth is anticipated, with 1,340,000 cruise passengers expected in 2019. Expanded infrastructure and tour capacity will be especially important in providing a positive experience for visitors and residents.

Estimated Revenue Potential

New JACC revenues are estimated to be about \$567,000 from 12 sources. Low-, mid-, and high-case scenarios were developed for each source. The summary table below reflects the mid-case revenue estimates. Following the table are brief descriptions of each revenue source and factors considered in the development of each estimate.

Cash Flow Estimate, Year 3

Revenue Source	Amount
Theater rental	\$100,000
Event space rental	\$126,000
Rental equipment and services	\$35,000
Leased space	\$52,000
Retail space net	\$50,000
Concessions/alcohol sales net	\$25,000
Café lease	\$17,000
Ticketing	\$69,000
Gallery space net	\$6,000
Fundraising	\$40,000
JCF support	\$50,000
Total Estimated Revenue	\$570,000

Note: Figures have been rounded.

Theater Usage and Revenue

Community demand for performance and rehearsal days were estimated in the *Willoughby Arts Complex Market Demand Assessment*, completed by McDowell Group in 2015 based on extensive interviews with local user groups, facility managers, and others involved in performing and visual arts.

Interviews were conducted in 2018 with a selection of groups to update and refine estimated use days. In addition to performances and rehearsals, the theater is likely to see some demand for presentations and other events. A modest number of "other" rentals are included below.

Estimated Theater Rentals

Theater Rentals	Low-Case	Mid-Case	High-Case
Performance days	75	95	105
Rehearsal days	10	20	30
Other rentals	5	7	10
Total Rentals	90	122	145

Note: Figures have been rounded.

The project team also reviewed rental rates at various facilities including high school auditoriums, UAS Egan Lecture Hall, churches, and other spaces commonly used for performances and events.

The New JACC theater will be a premium space and should command rates that are higher than other facilities in the community. The mid-case estimate for theater rental is \$1,000 for performances and other rentals and \$500 for rehearsals. Based on the previous table of use days by type, an average blended rate of \$915 is used to estimate theater revenue.

At an average use rate of \$915, estimated revenue in the low case is \$82,400, mid-case is \$112,000, and high-case is \$142,000. After estimated discounts of about 10 percent, net revenues are estimated at \$74,000, \$100,000, and \$128,000, respectively.

Estimated Theater Revenue, Community Demand			
	Low-Case	Mid-Case	High-Case
Estimated revenue	\$82,400	\$112,000	\$142,000
10% discount	\$8,200	\$11,200	\$14,000
Net Revenue	\$74,000	\$100,000	\$128,000

Note: Net revenue figures have been rounded.

Potential Summer Use of the Theater

Given anticipated growth in Juneau’s summer visitation, there is potential to rent the theater for a seasonal production. Juneau hosted an estimated 1.23 million summer visitors in 2018, including 1.15 million cruise visitors and 78,000 independent visitors. Cruise passenger visitation is anticipated to exceed 1.3 million in 2019.

The summer visitor season spans approximately 160 days from mid-April through early October, with some non-ship days in the shoulder season. A performance or event could be sold as a component of a tour package, on a walk-up basis, or both. Several important considerations will need to be addressed by the facility, the producing organization, and cruise lines:

- The production would need to be consistently available when ships are in port. Given the potential for multiple daily performances seven days a week, scheduling of production staff and other employees would likely require at least two full teams.
- The duration and cost should allow it to be packaged with other tour components such as a city tour, glacier tour, whale watching, or other attraction.
- Net rates to the producer would likely be in the range of \$10 to \$15 per person, based on comparable tours and attractions in the region.

The New JACC would likely rent the theater rather than produce the entertainment. The Partnership has engaged Perseverance Theatre, Juneau Lyric Opera, Goldbelt, Sealaska Heritage Institute, cruise lines, and others about potential interest. Daily theater rental rates used in this analysis are \$1,000 for performance days and \$500 for rehearsals. However, if the theater were rented for the full summer season, the negotiated rate would likely be lower.

To illustrate revenue generation potential, the following table shows potential gross revenue generation at various rates for a 160-day period. Gross revenue would be offset by some increase in facility expenses including utilities, janitorial, supplies, and facility wear and tear.

**Potential Visitor Season
Theater Rental Gross Revenue**

Daily Rate	Revenue
\$1,000	\$160,000
\$750	\$120,000
\$500	\$80,000

Renting the theater for the entire summer season could also displace some local users. Interviews conducted with performing arts organizations and other groups indicated summer season demand could exceed 20 days. It may be possible, given multiple spaces in the facility, to accommodate smaller local events in the event studio or atrium. Another alternative is to move the summer production on a temporary basis, although the change could affect seating capacity, revenue generation, and/or production quality.

The table below incorporates an additional \$120,000 in the high-case scenario from summer production revenues, bringing estimated high-case revenue to \$248,000. Such revenues are not included in the low- or mid-case scenarios as there is less certainty when compared to projected community demand. (Because the theater rental is anticipated to be a negotiated rate, the 10 percent discount was not applied to that portion of the estimated revenue.)

Estimated Theater Revenue, with Summer Production Revenue

	Low-Case	Mid-Case	High-Case
Community demand	\$82,400	\$112,000	\$142,000
Summer production	\$0	\$0	\$120,000
10% discount	\$8,200	\$11,200	\$14,000
Net Revenue	\$74,000	\$100,000	\$248,000

Note: Figures have been rounded.

Event Space Rental and Revenue

The following tables show estimated space rentals, average blended rental rates, and potential revenue for each space including the full facility, community hall, event studio, seminar/meeting rooms, gallery, atrium, patio, and warming kitchen.

To estimate potential demand, the study team reviewed recent JACC rentals in detail for multiple years including event size, duration, revenue, and organization type. The team considered how existing JACC demand would transfer to the New JACC and how additional demand could be generated given limitations of other community facilities, pent-up demand, and potential for new programming.

Factors considered included:

- The theater will capture a small portion of current hall demand.
- The event studio is likely to capture a significant portion of smaller events that currently use the hall.
- The new community hall has the potential to be partitioned into two or three spaces, which could increase demand.

- Revenue generation from JACC space has declined somewhat in recent years, perhaps due to the introduction of recently renovated or constructed spaces: APK, KTOO, and Elizabeth Peratrovich Hall, for example. Some of this market is likely to be re-captured by the New JACC.
- The New JACC will have the ability to facilitate multiple events concurrently. This may be particularly useful during periods of peak demand such as weekends and holidays. This should result in an increase in the number of annual events well beyond current JACC demand.
- The larger community hall may be used to serve meals for larger events at Centennial Hall. This option would replace the need for extensive set-up and break-down, and streamline event logistics at Centennial Hall. The community hall may also facilitate Centennial Hall booking larger groups.

Estimated Event Space Demand

The following New JACC space rental estimates were developed from recent JACC usage, then adjusted based on the considerations described above.

The New JACC is projected to increase from 175 JACC rentals in 2018 (full facility and community hall) to 230 rentals for the full facility, new hall, and event studio—an increase of about 30 percent. An additional 100 rentals are projected for the atrium, patio, gallery, and meeting rooms. Warming kitchen rentals, estimated at 130, will be driven by other space rentals. In total, the number of paid uses is estimated to be about 460 annually in the mid-case scenario.

(In this analysis, full facility rentals include the community hall, atrium, and adjacent meeting and event spaces. Full facility rentals do not include the theater, scene shop, dressing rooms, or green room.)

Estimated Facility Space Rentals

Space	Low-Case	Mid-Case	High-Case
Full facility	25	30	35
Community hall	80	100	120
Event studio	75	100	125
Warming kitchen	110	130	160
Atrium	40	50	60
Meeting space	12	25	36
Patio	10	15	20
Gallery	8	10	12
Total Rentals	360	460	568

Average Rental Rates

The rates presented below are blended average rates developed by the study team and incorporate multiple rental scenarios including hourly, half-day, full-day, and 24-hour rentals. The estimated rates were developed from examination of current rates for the JACC and other facilities, and recognition that the new, premium space can generate commensurate rates. However, even with premium spaces, caution is advised when setting rates that are substantially higher than current rates at the JACC, high school, and elsewhere in the community. Community groups interviewed for the *Willoughby Arts Complex Market Demand Assessment (2015)* expressed

some concern regarding rates that may be unaffordable for their organizations. As rates increase, there would be downward pressure on expected demand. Actual rates for the New JACC will need to reflect market conditions and user types.

Estimated Average Rental Rates

Space	Avg. Rate
Full facility	\$1,200
Community hall	\$450
Event studio	\$250
Warming kitchen	\$150
Atrium	\$150
Meeting space	\$100
Patio	\$100
Gallery	\$100

Summary of Facility Rental Space Revenue

Based on the mid-case demand for each space and average estimated rates, the New JACC has the potential to generate about \$139,500 in facility space rental for events, with net revenue after discounts of nearly \$126,000. Following the revenue summary table are brief descriptions of how use, average rates, and potential revenue were estimated.

Summary of Estimated Facility Rental Space Revenue, Mid-Case Scenario

Space	Revenue
Full facility	\$36,000
Community hall	\$45,000
Event studio	\$25,000
Warming kitchen	\$20,000
Atrium	\$7,500
Meeting space	\$2,500
Patio	\$2,500
Gallery	\$1,000
Total Revenue	\$139,500
10% discount	\$13,950
Estimated Net Revenue	\$125,550

Note: Figures have been rounded.

Full Facility

In recent years, the JACC has rented the full facility between 30 and 40 days annually. The current full facility rate at the JACC is \$750 for a full day and \$540 for 5-9 hours. About 87 percent of full facility rentals in 2018 were for full days.

The newer, larger facility is expected to command higher rental rates than the existing JACC. Revenue estimates used an average blended daily rate of \$1,200. For comparison, rates at KTOO, Centennial Hall, and the Father

Andrew P. Kashevaroff Building are well over \$1,000. Rental days are estimated at 25 in the low-case, 30 in the mid-case, and 40 in the high-case. The mid-case of 30 rentals would generate about \$36,000 annually.

Community Hall

The hall had about 140 paid rentals in 2018. Some of this demand will be captured by theater and event studio rentals. It is also anticipated that the New JACC will attract events currently using other facilities. The study team estimates community hall demand in the low-case at 80 rentals, 100 in the mid-case, and 120 in the high-case. The mid-case demand estimate of 100 rentals at an average rental rate of \$450 would generate \$45,000 annually.

Event Studio

The event studio will serve a wide variety of uses including theater rehearsal space, meetings and seminars, weddings, and other social gatherings. As previously mentioned, the event studio is anticipated to capture some demand from the JACC hall as well as generate new demand. Event studio use demand is estimated to range from 75 to 125 events annually with a mid-case of 100 events. The mid-case estimate of 100 events would indicate use roughly twice per week. An average rental rate of \$250 would result in an estimated \$25,000 in annual revenue.

Warming Kitchen

The warming kitchen will be nearly 400 sq. ft. and will represent a significant upgrade from the JACC. With the anticipated increase in overall rentals and two larger spaces (community hall and event studio) holding events that will often need a kitchen, this space will be in high demand.

Kitchen demand is estimated to range from 110 to 160 events. A mid-case estimate of 130 events would see the kitchen rented about once every three days. At the mid-case estimate of about 330 facility events (excluding the theater), 130 kitchen rentals would represent use by about 40 percent of events.

Rates for this space will vary depending on the type and size of event. On the low end, rates for a potluck-style event may be around \$75 per use, while an event where the kitchen and equipment are more heavily used may be around \$150, and a fully catered event may cost around \$250. For comparison, Centennial Hall's warming kitchen rates range from \$60 for groups that bring their own refreshments to \$150 for groups up to 250, and \$300 for larger groups. Full kitchen rental rates at Centennial Hall range from \$225 to \$450. Commercial kitchen rental at the Elizabeth Peratrovich Hall costs \$150 for a half day and \$200 for a full day.

At an average rental rate of about \$150, and mid-case of 130 events, kitchen rental revenue is estimated to be about \$20,000 annually.

Atrium

The atrium in the New JACC will be a large space at 5,140 sq. ft. This space will be attractive for large events as well as smaller events such as musical performances and poetry readings. This space is similar to the atrium at APK, which is expensive to rent after-hours; the New JACC atrium should capture some events currently held at APK. Rental for the full atrium would be more expensive than renting only the area around the fireplace. The

average rental rate is estimated conservatively at \$150. Estimated use ranges from 40 to 60 rentals annually with a mid-case of 50. An average rate of \$150 and 50 rentals would generate \$7,500 annually.

Meeting Space

The New JAAC will provide rental space for smaller meetings, with a seminar room (350 sq. ft.) and small meeting room (100 sq. feet). These spaces are not designed to compete with Centennial Hall but will provide break-out space for larger events. The New JACC also has a 275 sq. ft. meeting space that will be used by staff and those who lease offices. This space may also accommodate much of the current gallery demand for unpaid meeting space. Paid use of meeting space will likely be minimal with estimated use ranging from 12 to 26 rentals annually. The mid-case of 24 rentals at an average rate of \$100 would generate \$2,400 annually.

Patio

The patio space (2,219 sq. ft.) will be desirable given favorable weather conditions. Rentals of the patio as a stand-alone space may be limited. Rather, the patio is likely to be made available (weather permitting) or incorporated as an add-on to atrium or event hall rentals. Estimated use ranges from 10 to 20 times annually. An average rental rate of \$100 and 15 rentals would generate \$1,500 annually.

Gallery

Currently, paid gallery rentals are minimal, and other than art shows, the space is used primarily for meetings. The new gallery space will be visually appealing and located off the atrium in a high-traffic area. Future gallery rentals would be for receptions and similar events rather than for meetings. Gallery rentals would likely be minimal and are estimated to range from eight to 12 annually. A mid-case of 10 rentals at a rate of \$100 would generate \$1,000 annually.

Other Earned Revenue Sources

Rental Equipment and Services

Rental equipment includes tables, chairs, dividers, coat racks, tent, tablecloths, some glassware, lights, and easels. Most rentals are for offsite use. Service revenues have been minor, such as reimbursing the JACC for postage or extra garbage service. In recent years, revenue generated from equipment rental and services ranged from \$20,000 to \$30,000. In 2018, the JACC had 325 rentals generating \$24,000 in revenue.

There appears to be an opportunity for the New JACC to increase revenue from off-site and in-facility rentals by increasing rates slightly and increasing the number of items that incur a charge. This combined with significantly more spaces available in the New JACC (requiring more equipment) and an overall increase in the number of events should result in higher rental and service revenues. Potential revenues could range from \$24,000 to \$48,000 with a mid-case estimate of \$36,000.

Lease Space

The New JACC will have six rental offices at an average of 150 sq. ft. each. These office spaces will be desirable and should command premium rents. A monthly office rental rate of \$550 will generate \$40,000 annually. The

sound studio at 938 sq. ft. should generate about \$750 per month or \$9,000 annually in net revenue after in-kind services are considered. Food truck rental space is estimated at \$300 per month, with two trucks renting for five months of the year, generating \$3,000 annually. In total, these spaces could generate about \$52,000 annually.

Retail Sales and Net Revenue

Currently, the JACC utilizes about 820 sq. ft. of hallway near the main entrance for retail display and sales. Approximately one-third of sales are artist consignments. Recent net revenue from retail sales have ranged from \$20,000 to \$36,000 annually. In 2018, retail net revenues were \$36,000.

While the retail space at the New JACC will be about the same size (815 sq. ft.) it will be much nicer than the current location and is anticipated to have windows allowing for display of merchandise for local foot traffic. The new facility will also see a higher volume of visitation providing more sales opportunities. The combination of a nicer space, increased facility visitation, and street exposure should result in higher sales and net revenue. Estimated net revenue for New JACC retail sales could range from \$35,000 to \$65,000 with a mid-case estimate of \$50,000.

Concessions and Alcohol Sales

Arts organizations and other potential New JACC users expressed strong interest in enhancing food and beverage options. Multiple options have been discussed for alcohol and concessions including:

- New JACC operating the concessions and alcohol sales directly.
- Allowing the entity leasing the café to have exclusive usage or a first option on providing the service.
- Allowing facility renters to contract with the caterer of their choice.

As currently designed, the New JACC does not include physical space for alcohol and concessions sales. The use of mobile carts or stands for alcohol sales are a viable option whether operated by the New JACC or a vendor. Carts or stands are suitable for serving beer, wine, soft drinks, coffee, and light snacks.

Each scenario for alcohol and concessions sales brings a different set of implications concerning facility management, revenue, customer service, and choices available to New JACC users. If these functions are left to outside vendors, the New JACC may have the potential to net about \$10,000 to \$15,000 annually. If the New JACC acquires a liquor license, net revenues could potentially double to a range of \$20,000 to \$30,000 (net cost of goods and labor). Based on current New JACC team planning, the facility will manage alcohol and concession sales. Under this scenario, potential mid-case revenue is estimated at \$25,000.

Café Lease

Currently, New JACC programming includes 470 sq. ft. of space for a café including a kitchen, service area, and seating for about 13 people.

Restaurant lease rates in downtown Juneau range from about \$1.50 to \$4.00 per sq. ft. Even with an anticipated increase in overall foot traffic to the New JACC, the location is still somewhat removed from the downtown core. The project team utilized a rate of \$2.00 per sq. ft. to estimate potential revenue from a café lease. At this rate,

and 470 sq. ft. of space, the café lease would generate about \$11,250 annually. Additional seating could be made available in the lobby immediately adjacent to the café. This additional seating would likely be required by the café operator in order to serve more customers during periods of peak demand. The lease of an additional 250 sq. ft. of lobby space for additional seating would generate an additional \$6,000 annually. In total, a café lease may generate about \$17,000 annually.

Ticketing

Currently, JAHC generates revenue from ticket sales for community performances and events. Tickets can be purchased in person, online, or through selected retailers and performing arts organizations such as Juneau Jazz and Classics and Juneau Symphony.

Prior to 2016, sales represented about 30,000 tickets annually and generated about \$13,000 in net income. In 2016, Perseverance elected to manage its own ticket sales. The JAHC sold 19,325 tickets in 2017 and 20,325 in 2018 with net revenue of about \$6,100.

Increased demand from the new theater on top of current ticket sales of about 20,000 could result in a significant increase in total ticket sales. (Estimated sales of 31,250 low-case, 34,250 mid-case, and 35,750 high-case in future years were derived by adding an average of 150 tickets for theater performance rentals to the base of 20,000 tickets. Increasing the surcharge to \$2 per ticket could generate \$62,500 to \$71,500 with mid-case revenue of about \$69,000 (based on the mid-case of 95 performances).

Gallery Sales and Net Revenue

The current gallery space is approximately 500 sq. ft. Gallery sales have typically averaged between \$12,000 and \$15,000 with net profit ranging from \$3,000 to \$6,000 after the artists and other expenses are paid. Gallery sales were about \$13,000 in 2018 with net revenue of \$3,500.

The New JACC gallery space is 722 sq. ft. The space may be dividable. This would provide more opportunities for artists and may result in increased interest from artists with smaller volumes of work. This configuration would also allow two simultaneous shows offering greater variety to patrons, and perhaps increasing overall visitation to the facility. Further, the New JACC will see a significant increase in visitation over the current JACC providing more exposure to gallery shows, leading to an increase in sales. The New JACC should be able to generate net revenue in the range of \$5,000 to \$7,000 with a mid-case estimate of \$6,000.

Grants and Fundraising

JACC fundraising efforts include a portion of Wearable Art net revenue as well as a smaller level of corporate and individual donations. JACC fundraising revenues have been stable at around \$40,000 and are expected to remain stable under New JACC programming.

The New JACC will receive about \$50,000 annually from the Juneau Community Foundation New JACC Endowment to support building operations.

Alaska Airlines has made a commitment of ongoing support for programs in the New JACC for underserved youth. These funds, expected to be approximately \$25,000 per year, would be available for space rental fees, supplies, professional fees, and other program expenses, ultimately enhancing use and revenue for the New JACC. These funds are not reflected in facility revenue estimates.

Estimated Operating Expenses

The initial step in estimating New JACC expenses was a thorough review of JACC financials and comparable public and private facilities including Centennial Hall. A discussion of expenses by major category are provided below, with greater detail provided around the largest expense categories of payroll and energy costs.

Summary of Estimated Expenses

Total expenditures are estimated at \$519,000 annually; expenses are discussed by category below.

New JACC Estimated Expenses Summary

Type of Expense	Amount
Payroll and benefits	\$280,000
Heat/electric	\$110,000
Insurance	\$24,000
Supplies	\$14,000
Marketing	\$15,000
Equipment	\$12,000
Capital replacement fund	\$10,000
Waste	\$9,500
Repairs/maintenance	\$7,500
Telephone/internet	\$7,000
Water/sewer	\$4,000
Shipping/postage	\$1,000
Miscellaneous	\$25,000
Total Estimated Expenses	\$519,000

Payroll and Benefits

New JACC Staffing and Payroll Estimates

The New JACC will likely require eight positions described in the table below. Day-to-day operations would be run by the facility manager with oversight by the JACC executive director. Other full-time positions would include a front desk attendant and two event technicians. The event technicians would be responsible for event set-up, monitoring and take-down, and janitorial duties. The New JACC would also employ a half-time technical director and gallery/retail manager.

Payroll for these eight positions is estimated to be about \$224,000 annually. Incorporating another 25 percent for benefits and taxes results in total estimated payroll and associated costs of \$280,000.¹

¹ The JACC currently has a rate of about 15 percent for benefits and taxes. The increase to 25 percent reflects 13 percent for payroll taxes and 12 percent for benefits.

New JACC Staffing

Position	Full-Time/ Part-Time
JAHC executive director oversight	PT
Facility manager	FT
Gallery/retail shop manager	PT
Front desk attendant	FT
Event security	PT
Technical director	PT
Event technician/janitorial	FT
Event technician/janitorial	FT

Similar Facility Staffing

While none of the facilities shown in the table below is exactly comparable to the proposed New JACC, nor do they serve a community the size of Juneau, they do have some similar characteristics.

The Valdez Convention and Civic Center includes a theater in addition to convention and meeting space. The Nolan Center in Wrangell includes a visitor center, museum, and meeting spaces. The Ted Ferry Civic Center in Ketchikan, Harrigan Hall in Sitka, and Centennial Hall in Juneau provide basic meeting and convention space. The facilities vary in size from slightly more than 7,000 sq. ft. to 40,000 sq. ft. Staff size ranges from five to ten and reflects facility size and function. Some facilities also employ multiple part-time labor for event set-up and take-down. Most contract out for janitorial services. While the individual facilities engage in some marketing, Juneau, Valdez, and Ketchikan have destination marketing organizations that provide marketing services for conventions and meetings.

All are publicly owned facilities with wages and benefits that are higher than typically offered in the private sector. Total payroll and benefits range from \$208,000 to \$547,000 annually.

Similar Facility Payroll and Staff Positions, 2017

	Centennial Hall (Juneau)	Valdez Convention and Civic Center	Nolan Center (Wrangell)	Ted Ferry Civic Center (Ketchikan)	Sitka Harrigan Hall
Square footage	40,000	23,000	20,300	7,393	7,385
Payroll/benefits	\$547,000	\$507,000	\$208,000	\$297,000	\$323,000
Staff positions	10	5	6	5	5

Sources: CBJ, City of Valdez, City of Ketchikan, City of Wrangell, City and Borough of Sitka.

Heat and Electric

The current plan is to heat the New JACC with electricity rather than oil. Facility construction would allow for distribution from the Juneau District Heating project if that option becomes available in the future.

How much electricity and heat a facility uses is determined by the facility size, facility age, and frequency of use. Several Juneau facilities were reviewed to better understand utility costs. All facilities reviewed use electricity, but heat sources vary.

Older Buildings

- The Downtown Library heats with oil.
- Centennial Hall uses electric heat.

Newer Buildings

- The Walter Soboleff Building heats with wood pellets.
- The Valley Library heats with a ground source pump run by electricity.

Electricity cost per sq. ft. varied widely among the facilities. Centennial Hall is the only facility of a comparable size and operating model to the new JACC. The study team decided to base estimated electrical costs per sq. ft. using Centennial Hall rates adjusted for a newer, more energy-efficient facility. In 2017, Centennial Hall annual electrical costs per sq. ft. were \$2.84. The theater portion of the New JACC will use electricity at a higher rate. The rate of efficiency of a new building versus Centennial Hall was conservatively estimated to range from 10 to 20 percent with a mid-range of 15 percent. At the mid-range, electricity used for heating and other purposes at the New JACC is estimated to cost about \$2.45 sq. ft. or \$110,000 annually.

Estimated New JACC Electricity Cost, per Sq. Ft.

	\$/Sq. Ft.	Annual Cost
Centennial Hall	\$2.84	\$114,000
New JACC high-range (10% lower)	\$2.60	\$102,000
New JACC mid-range (15% lower)	\$2.45	\$110,000
New JACC low-range (20% lower)	\$2.30	\$116,000

Source: Centennial Hall FY2017 budget and McDowell group estimates.
Note: Centennial Hall is 40,000 sq. ft.; the New JACC is 44,500 sq. ft.
Annual estimated costs for the New JACC have been rounded.

Other Expenses

- **Insurance:** With the assistance of Shattuck and Grummett, facility insurance is estimated to be about \$24,000 annually.
- **Supplies:** New JACC supplies expense is budgeted at \$14,000; in comparison, the current JACC budget is \$7,000.
- **Marketing:** The marketing budget for advertising, an online presence, and printed materials is estimated at \$15,000 annually.
- **Small equipment:** Estimated equipment expense for the New JACC is \$12,000. For comparison, the current JACC equipment budget is approximately \$4,800 annually.
- **Capital replacement fund:** It will be prudent for the New JACC to maintain a capital replacement fund for repair or replacement of major systems such as roof, lighting, sound system, or HVAC. Setting aside \$10,000 annually for the first five years is recommended.

- **Waste:** The annual budget for New JACC waste removal is estimated at \$9,500. For comparison, the current JACC budget is \$3,700, and Centennial Hall is \$9,500.
- **Repairs/maintenance:** Currently, JACC maintenance is managed by CBJ. JACC is charged about \$7,500 annually. It is unclear at this time what arrangements will be made to care for the New JACC. Maintenance issues are expected to be minor for the first few years of the new facility. Maintenance and repairs (whether contracted with CBJ or another entity) are estimated at \$7,500 in Years 1-3 and \$10,000 in Years 4-5.
- **Telephone/internet:** The annual budget for telephone is estimated at \$7,000. For comparison, the current JACC has a telephone expense of \$5,550, and Centennial Hall's telephone expense was \$6,200 in 2017.
- **Water and sewer:** The New JACC budget for water and sewer is estimated at \$4,000. For comparison, Centennial Hall water and sewer expenditures were \$3,500 in 2017.
- **Shipping/postage:** Shipping and postage expense is estimated at \$1,000 annually.
- **Miscellaneous:** This category includes professional and technical services such as snow removal, landscaping, IT, and other anticipated facility expenses. Expenses are estimated at \$25,000 annually.

Pro Forma Potential Cash Flow Analysis

Estimated Annual Net Income/Loss

Based on the mid-case revenue and expense estimates described in the previous sections, and assuming operations normalize in Year 3, the New JACC is anticipated to net a modest income of \$51,000.

Cash Flow Estimate, Year 3

Revenue/Expenses	Amount
Revenue	
Theater rental	\$100,000
Event space rental	\$126,000
Rental equipment and services	\$35,000
Leased space	\$52,000
Retail space net	\$50,000
Concessions/alcohol sales net	\$25,000
Café lease	\$17,000
Ticketing	\$69,000
Gallery space net	\$6,000
Fundraising	\$40,000
JCF support	\$50,000
Total Estimated Revenue	\$570,000
Expenses	
Payroll and benefits	\$280,000
Heat/electric	\$110,000
Insurance	\$24,000
Supplies	\$14,000
Marketing	\$15,000
Equipment	\$12,000
Capital replacement fund	\$10,000
Waste	\$9,500
Repairs/maintenance	\$7,500
Telephone/internet	\$7,000
Water/sewer	\$4,000
Shipping/postage	\$1,000
Miscellaneous	\$25,000
Total Estimated Expenses	\$519,000
Net Income/Loss	\$51,000

Five-Year Pro Forma Cash Flow Analysis

The following five-year estimate of revenue and expenses are not inflation-adjusted; it is assumed that revenues will rise in line with inflation. The New JACC is projected to have an operating deficit of approximately \$46,000 in the initial year of operation, improving to income of \$51,000 by the third year when operations have normalized. Assumptions factored into the cash flow analysis for the initial five years include:

- Excluding JCF support, Year 1 revenues are projected to be 80 percent of fully normalized revenues; Year 2 at 90 percent, and fully normalized in Year 3.
- Supplies and miscellaneous expenses were adjusted lower in Year 1 and 2 to reflect lower initial facility use.
- Expense for repairs and maintenance was increased from \$7,500 in Years 1-3 to \$10,000 in Years 4-5.
- Projections do not include potential loan or interest payments.

Pro Forma Estimated Cash Flow Analysis, Years 1-5

	Year 1	Year 2	Year 3	Year 4	Year 5
Estimated revenue	\$466,000	\$518,000	\$570,000	\$570,000	\$570,000
Estimated expenses	\$512,000	\$514,000	\$519,000	\$521,500	\$521,500
Net profit/loss	(\$46,000)	\$4,000	\$51,000	\$48,500	\$48,500

Development Recommendations

The following section includes recommendations and considerations intended to optimize facility design, increase revenues, and lower operational expenditures.

Facility Design

- Visual artists hope the new gallery spaces will be dedicated for gallery use, rather than meetings. Other desired attributes include walls appropriate for hanging flat art and professional lighting. Artists will likely look to the facility for display cases and other commonly used equipment. The ability to partition the space should also be considered in the final design phase.
- Consideration should be given to partitioning the community hall. The ability to split 4,600 sq. ft. into two or three smaller spaces could result in additional demand and revenue.
- As currently designed, the facility provides two general storage spaces on the first floor with a total of 720 sq. ft. and 1,273 sq. ft. of scene loading and storage for the theater. Considerable storage space will be needed to support the community hall, event studio, atrium, patio, and other first floor spaces. The ability to host multiple events simultaneously will result in the need for more meeting and banquet equipment. While the 1,273 sq. ft. theater-related space seems adequate, there is likely a need to increase the square footage of other storage space. The atrium is large at 5,140 sq. ft.; as a stand-alone space, it is not projected to generate significant revenue. Utilizing a small portion of the atrium for additional storage will support higher revenue generation from other spaces.
- Consideration should be given to increasing the number of rental offices. Revenue from office rentals provides a steady annual income stream with minimal staff effort and operational expense. Based on interview with real estate professionals, there appears to be demand for smaller offices suitable for one or two occupants rather than larger spaces for three or more occupants. Offices should be accessible from outside the building after hours.

Financial Performance

Revenues

- Many user group interviewees expressed concern about having to pay higher rates, particularly non-profit organizations. While this is understandable, rates will need to be increased for the facility to remain financially sustainable.
- The JACC currently offers discounts to non-profits and affiliated groups; this discount was carried into the revenue projections. Eliminating or reducing the discount would increase net income. A variation on this approach would be to offer the discount on weeknight rentals only, ensuring the facility generates full rental rates for weekends and other premium dates.
- If the facility acquires a liquor license and manages sales internally, there is potential for higher revenues than estimated in this study. The overall volume of events, attendees, hours of alcohol sales, and pricing

will affect gross revenues. Revenues will be offset by the cost and challenges of hiring qualified part-time servers and the cost of goods sold.

Expenses

Combined, payroll and energy costs are estimated to be three-quarters of total annual operating costs.

- As with any facility of this type, payroll and benefits are the single highest annual operating expense (estimated to be 54 percent of operating expenses). Payroll estimates were developed with input from current JACC management and include three additional positions over current operations. While the JAHC and the JACC have shown a remarkable ability to operate efficiently, the current staffing structure is insufficient for the new facility. (As noted in prior analyses, JACC payroll and benefits were approximately \$100,000 in 2018 and \$85,000 in 2014.) Further refinement of staffing levels (either up or down) would have a greater impact on overall expenses than nearly all other expenditure categories.
- The second highest facility cost is heat and electricity, estimated at 20 percent of total expenses. It is challenging to estimate annual costs as facility space use will be highly variable. The theater would likely incur higher costs per sq. ft. than other space, and additional demand beyond study estimates could increase costs. The use of heating setbacks and automatic lighting shut-off systems for areas not in use may result in some efficiencies. Heating and lighting the large atrium and open second floor will require more energy than smaller open spaces. A reduction in atrium square footage would result in lowering energy costs.

Project Contacts

The individuals listed below provided valuable insights and perspectives from the performing arts community, event planning, destination marketing, and tour and cruise line operations.

- Jeremy Bauer, Bauer Clifton Interiors
- Teresa Bleakley, Juneau Symphony
- John Clough, Juneau Lyric Opera
- Mary DeSpain, Alaska Bar Association
- Brian Holst, Juneau Economic Development Council
- Lee Kadinger, Sealaska Heritage Institute
- Peter Metcalfe, Metcalfe Communications/Public Market
- Joshua Midgett, Perseverance Theatre
- Jennifer Miller, Holland America Group
- Liz Perry, Travel Juneau
- Art Rotch, Perseverance Theatre
- Reggie Schapp, Juneau Jazz and Classics

The project team recognizes the ongoing assistance provided by JAHG and The Partnership Board of Directors throughout the project. We also appreciate the assistance of municipal staff who provided information for comparable facilities in Sitka, Valdez, Ketchikan, and Wrangell. Additionally, many other individuals and organizations throughout Alaska responded to team questions throughout the project.

Juneau Facility Capacity and Rates

High School Auditoriums

Aside from UAS Egan Lecture Hall, Juneau’s high school auditoriums provide the only other indoor, raked-seating venues. Maximum capacity is 1,000 at JDHS and 500 at TMHS. High-school related use is prioritized over community usage; rental rates differ by user group.

- Category I users are school and school-related activities with a permanent or contracted, directly-involved school district employee as the responsible party. This category has all rental fees waived.
- Category II users are public, nonprofit youth groups/organizations where the primary beneficiary of the program is school-aged children.
- Category III users are state, local, and federal government groups; local nonprofit organizations; private non-profit groups; partisan, sectarian, or denominational groups; and all other groups that do not meet Category I, II, or IV criteria. Most new JACC users fall into this category.
- Category IV users are private, for-profit commercial businesses and groups.

JDHS and TMHS Auditoriums Hourly Rental Rates, 2019

	Category II/III	Category IV
JDHS		
Performance day	\$150	\$276
Rehearsal day	\$60	\$120
Studio rental/rehearsal	\$55	\$120
Scene shop	\$60	\$70
THMS		
Performance day	\$125	\$240
Rehearsal day	\$60	\$120
Scene shop	\$60	\$70

Father Andrew P. Kashevaroff Building

APK Building Rental Rates, 2019

	Regular Business Hours	Other Hours
Atrium (Capacity: 240)		
Hourly usage rate	\$75	\$75
Set-up/take-down (hourly)	\$100	\$100
Janitorial (dep. on attendance)	\$150-\$225	\$150-\$225
Security (hourly)	\$50	\$50
Facility personnel (flat fee)	\$100	\$100
Lecture Hall (Capacity: 150)		
Hourly usage rate	\$100	\$100
Set-up/take-down (hourly)	\$50	\$50
Janitorial	\$150-\$225	\$150-\$225
Security (hourly)	\$50	\$100
Facility personnel	\$100 flat fee	\$200 hourly
Museum Gallery (Capacity: 350)		
Admission fee per adult	\$10	-
Museum protection personnel (hourly)	\$100	-
Security (hourly)	\$50	-
Facility personnel (hourly)	\$200	-
Classroom (Capacity: 30)		
Hourly usage rate	\$25	\$100

@360 KTOO Studio

The @360 KTOO Studio has 1,536 sq. ft. and capacity for 80 seated. Rental packages are described below the table.

@360 KTOO Studio Rental Rates, 2019

	Rates
Theater performance (not recorded)	\$2,000
Theater performance (recorded/streamed)	\$3,000
Conference/meeting (not recorded)	\$1,000
Party/social event (not recorded)	\$1,000
Presentation/lecture (recorded/streamed)	\$1,400
Panel discussion (recorded/streamed)	\$1,500
Film screening or viewing event (not recorded)	\$1,000

Theatre Performance (Not Recorded)

- Audience (up to 80)
- Basic stage theatrical lighting, with operator for the show
- Show up to 2 hours, + 1 hour before and after for prep & post event
- Consultation & prep time to configure room for your performance
- Rehearsal time on a space available basis before your event.
- Table in lobby for reception/ticketing

- Includes booking of our conference room for dressing/green room

Theatre Performance (Recorded/Streamed)

- Theater performance package, plus:
- Full-HD digital video & audio recording
- Microphones for performers
- Cameras & lighting as necessary.
- Prep of opening/closing graphic with your logo for the event
- Recording provided within 3 business days on a USB drive
- Optional live stream: online event setup

Conference/Meeting

- Tables with conference seating to up to 20. Classroom, "U", or Square layout
- PowerPoint, 70" & 50" monitors
- 10-foot screen with projector
- High speed WiFi
- Go To Meeting, or other conference software available
- Conference phone with direct dial-in or connect to your conference service
- Video conferencing available

Party/Social Event

- Tables for food/beverage service
- Chairs as desired (up to 80)
- LED ambient lighting, colored to match the mood of your event
- Background music from your CD, MP3s, music player/iPod or DJ plug-in, or KRNN or KXLL live radio.
- Event up to 3 hours, + time before and after for pre & post event
- High speed WiFi
- Includes Food/Beverage & Alcohol administrative fees
- Table in lobby for reception

Presentation/Lecture

- With or without audience (up to 80)
- PowerPoint, 70" & 50" monitors
- Podium or empty stage
- Optional audience Q&A
- Full-HD digital video & audio recording
- Microphones for presenter/s & audience Q&A
- Cameras & lighting as necessary.
- Prep of opening/closing still graphic with your logo for the event
- Recording provided within 3 business days on a USB drive
- Optional live stream: online event setup, stream hosting on our site or yours

Elizabeth Peratrovich Hall

Elizabeth Peratrovich Hall Daily Rental Rates, 2019

	Weekdays	Weekends
Full conference hall (6,156 sq. ft.; capacity: 840)	\$822 full/\$495 half	\$1,027 full/\$619 half
Room 1 (3,876 sq. ft.; capacity: 415)	\$611 full/\$369 half	\$764 full/\$461 half
Room 2 (2,280 sq. ft.; capacity: 225)	\$375 full/\$225 half	\$469 full/\$281 half
Room 3 (1,290 sq. ft.; capacity: 125)	\$221 full/\$137 half	\$277 full/\$171 half
Room 4 (990 sq. ft.; capacity: 100)	\$175 full/\$114 half	\$219 full/\$142 half
Commercial kitchen	\$200 full/\$150 half	\$200 full/\$150 half

Westmark Baranof Hotel

Westmark Baranof Hotel Rental Rates, 2019

	Half Day	Short Day	24 Hours
Treadwell Room (capacity: 300)	\$300	\$400	\$800
Capital Room (capacity: 105)	\$250	\$350	\$500
Douglas Room	\$150	\$200	\$400
AJ Room	\$125	\$175	\$350
Nugget Room	\$75	\$100	\$150

Centennial Hall

Centennial Hall Rental Rates, 2019

	REGULAR RATES			LOCAL NON-PROFIT RATES		
	1-4 Hours	1-9 Hours	9-20 Hours	1-4 Hours	1-9 Hours	9-20 Hours
Entire facility		\$1,100	\$1,650		\$820	\$1,369
Ballrooms						
All three ballrooms		\$820	\$1,240		\$615	\$1,025
Ballroom 1		\$370	\$520		\$275	\$430
Ballroom 2		\$370	\$520		\$275	\$430
Ballroom 3		\$370	\$520		\$275	\$430
Meeting Rooms						
Egan	\$95	\$140	\$225	\$75	\$105	\$175
Hickel	\$95	\$140	\$225	\$75	\$105	\$175
Hammond	\$95	\$140	\$225	\$75	\$105	\$175
Miller	\$55	\$75	\$115	\$40	\$55	\$90
Lobbies						
Ballroom	\$95	\$140	\$225	\$75	\$105	\$175
Meeting Room	\$95	\$140	\$225	\$75	\$105	\$175

For additional detail, please see the following link:

<https://jahc.org/wp-content/uploads/2018/07/FY16-CH-Rates-and-Capacities-081815.pdf>

Other Juneau Facilities

Juneau Facilities Commonly Used for Performing Arts and Events

Facility	Purpose/Use	Max. Capacity	Rental Fees
Juneau Yacht Club	Private club / catered event space	410 standing 292 seated	\$150-\$500/event
Chapel by the Lake	Church	Sanctuary 200-250, hall 75	\$350 half day, \$500 full day
Northern Light United Church	Church	Sanctuary 210, hall 80	2 hours \$100, 2-4 hours \$150, 4+ hours \$250
Church of the Holy Trinity McPhetres Hall	Church	Hall 80-175, sanctuary 130	\$200 half day, \$350 full day
Perseverance Theatre	Live performance theater	161	Rarely rented
Walter Soboleff Building	Lobby, clan house, exhibit. Only used for SHI-related activities.	Clan house-150, Lobby-100, Exhibit-100	NA
Hangar Ballroom	Catered event space	120 standing, 70 seated	\$125/event, \$200/event with bar
Resurrection Lutheran Church	Church	100	\$100 for shows, \$50-\$60 for all other events
Marine Park Pavilion	Outdoor pavilion/shelter	n/a	\$26.25/hour, flat fee of \$25 for electricity
Goldbelt Tramway	Theater and restaurant	200	With food: no charge no food: \$500/hour
Gold Town Nickelodeon Theater	Movie theater	80-90	\$150/hour weekends; \$80/hour weekdays
Eaglecrest Ski Area	Ski resort and lodge	150-200	\$1,000 full day, \$150/hour (1-4 hours)
Glacier Gardens	Visitor destination, indoor space, outdoor gardens	250	No food: \$550 2 hours, With food: \$650 2 hours \$125/hour after
State Office Building Atrium	Public space	100-150	Free
UAS Egan Lecture Hall	Lecture and performance space	150	\$80/hour
UAS Noyes Pavilion	Outdoor, covered pavilion	125 chairs, 80 bleachers	Non UAS: \$260/event \$600/week; UAS: \$130/event \$300/week
UAS Student Recreation Center	Student rec center and U.S. National Guard Armory	600	\$40/hour gym, \$30/hour SAC, \$20/hour studio

Alaska Center for the Performing Arts

The Alaska Center for Performing Arts (PAC) is a 30-year-old multi-venue performing arts center located in Anchorage, Alaska. The PAC provides space for producing and presenting organizations, schedules space use in the facility, provides production management and technical expertise, sells tickets, and provides services for over 240,000 patrons annually.

The facility's four performance areas, large adjoining lobbies, and support areas cover 176,000 square feet, well over the area of a city block. The Atwood Concert Hall, Discovery Theatre, Sydney Laurence Theatre, and the Elvera Voth Hall each vary in rental rates, capacities, and square footage.

Anchorage Performing Arts Center, Rental Rates, 2019

Category	Atwood Concert Hall	Discovery Theatre	Sydney Laurence Theatre	Elvera Voth Hall
Standard rates				
Non-profit	\$1,870-\$1,700	\$730-\$672	\$467-\$421	\$329
Commercial	\$3,097*	\$1,244*	\$772*	\$329*
Extra performance rates				
Non-profit	\$888	\$432	\$223	\$106
Commercial	\$1,350*	\$537*	\$339*	\$106*
School performance rates				
Non-profit	\$888	\$432	\$223	-
Commercial	\$1,350*	\$537*	\$339*	-
Rehearsals and technical work rates				
Non-profit	\$713	\$421	\$199	\$156
Commercial	\$1,010	\$543	\$339	\$156
Seat capacity	2,100	700	340	120
Square footage	19,032	16,132	10,370	1,800

* Or 12.5% of gross ticket sales, whichever is the greatest amount.

Source: Alaska Center for the Performing Arts at <https://www.alaskapac.org/>. Square footage estimates provided by Fred Sager, Production Manager of the Atwood Concert Hall.

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