CITY OF ELK GROVE
CITY COUNCIL STAFF REPORT

AGENDA TITLE:	**Receive Progress Update for the Library and Cultural Arts Center Study (WCCA02) and provide direction to Staff**
MEETING DATE:	**August 22, 2018**
PREPARED BY:	**John Griffin, Senior Civil Engineer** **Alvin Wong, City Architect**
DEPARTMENT HEAD:	**Robert Murdoch, Public Works Director / City Engineer**

RECOMMENDED ACTION:

Staff recommends that the City Council receive this progress update for the Library and Cultural Arts Center Study (WCCA02) and provide direction to Staff.

BACKGROUND INFORMATION:

The Library and Cultural Arts Center Study (WCCA02) (the “Project”) is a continuation to refine the Civic Center program information established as part of the District Development Plan (DDP) that was previously approved by City Council. This refinement is in the form of a Project Master Plan Program which identifies all component details of the Library and Cultural Arts Center.

On July 13, 2016, the City Council approved the DDP for the Civic Center South Property Project (Civic Center). This DDP, in its final form, consists of the development of 56 acres of recreation and community uses, including but not limited to, an Aquatics Center (WCC002), Community and Senior Center with Veterans Hall (WCC010), Library/Cultural Arts, Children’s Discovery Center, Nature Center (Preserve), a Commons Public Plaza (WCC024), transit center, and open space and park amenities. Prior to City Council approval, the DDP was presented to the Trails Committee on May 15, 2016 and the Planning Commission on June 16, 2016.

The Aquatics Center (WCC002) and Civic Center Commons (WCC024) Site Projects are currently under construction and are scheduled for completion in 2018. The construction of the Community and Senior Center (WCC010) Project commenced April 2018 and is scheduled for completion in 2019. These Phase 1 Projects total approximately 22 acres of development area.

On June 27, 2018 Council approved the Schematic Design Plan of the Civic Center Landscape & Pedestrian Facilities (WCCA03) Project that includes a 28 acre open space nature area park design at the southern part of the 56 acre Civic Center South Property. Staff is proceeding to complete the Design Development Phase of Work and develop a cost model, phasing plan, and funding options for Council consideration and direction at a later date.

<u>PROJECT DESCRIPTION</u>:

The Library and Cultural Arts Center Study (WCCA02) refines the initial program requirements outlined in the DDP approved by Council. The goal of the Project is to develop a Master Plan Program for the Library and Cultural Arts Center by analysis of local, regional, and other comparable data of library and cultural arts trends and best practices, and interviews/surveys with various stakeholders and surveys of the community. Additionally, in order to ensure the success of a future library at the Civic Center, the Project also considers the status of other library facilities in the City and their future configuration both near- and long-term.

Meetings, interviews, and/or surveys were conducted with representatives of the Sacramento Public Library (SPL), Elk Grove Unified School District (EGUSD), Cosumnes Community Services District (CCSD), Friends of the Library, Chamber of Commerce, City of Elk Grove staff, Arts Commission, City Council, arts community, and the Elk Grove community.

Library Component

Beginning in December 2017, tours of both Elk Grove Library and Franklin Library were conducted with SPL staff. Then tours of the performing arts centers at Cosumnes Oaks High School and Sheldon High School were conducted in January 2018 with EGUSD staff. Other subsequent meetings were conducted with EGUSD, CSD, and SPL staff. A community meeting and outreach were conducted at Elk Grove Library on February 15, 2018 and a community outreach event was conducted at Franklin Library on February 24, 2018. Additionally, online surveys were conducted with assistance from SPL staff. SPL staff contributed significant input towards the Project Study. Through this effort, City staff was able to determine that the current population of Elk Grove is underserved when compared to other similar communities in so far as the operations and range of programs that can be offered to the community are restricted by the current spaces.

City staff worked with SPL staff in consideration of the SPL Facility Master Plan 2007-2025. The SPL Facility Master Plan recommends three new branch libraries in addition to the two existing ones. The recommended library model strategy proposed as part of this Project is consistent with the spatial needs of the Master Plan but recommends a main library at the Civic Center with two branches in lieu of five branch libraries. SPL staff is supportive of this approach and would update their Facility Master Plan at a future date to reflect these changes.

To meet these needs, at the Civic Center location, a base option for the main library is defined, which includes the minimum program requirements necessary to serve the community. Enhancements to the base program requirements are also suggested that will improve the amenities and services to the community.

Cultural Arts Center Component

The Cultural Arts Center analysis began with review of City of Elk Grove's documents including:

- Strategic Imperatives (website)
- City Council Staff Report
    - Item 9.2, July 2016
    - Item 9.3, January 2017
- Planning Commission Staff Report, Item 6.2, June 16, 2016
- National Citizen Survey Elk Grove Livability Report (2015)
- Adopted General Plan (2015)
- Economics Research Associates (ERA) Market Financial Evaluation and Development (2011)
- ERA Market Report and Program Recommendations (2010)

From this basis, a market analysis and environmental scan was prepared, and then stakeholder interviews were conducted, and user needs surveys were distributed through local sources, Sacramento Regional Theatre Alliance (SARTA), and Sacramento Metropolitan Arts Commission (SMAC).

The information received formed the basis for the recommendation of seating capacity, and comparable facilities were reviewed to validate findings.

On June 26, 2018 a progress update of the Master Plan Program recommendations for the Library and Cultural Arts Center Study (WCCA02) Project was presented to the Arts Commission. The Arts Commission approved a motion to support and endorse the Master Plan Program's recommendation of a 350-500 seat theater.

ALTERNATIVE ACTIONS:

There are no recommended alternative actions to the recommended action because staff is requesting Council comments and direction to finalize the Master Plan Program. Direction from Council is requested on the recommended approach for these future facilities so that the plan can be finalized.

FISCAL IMPACT:

The recommended action is fiscally neutral because the Project is informational only. However, an estimate of probable costs for the Project and the operational management costs for the Cultural Arts Center component are included in the Master Plan Program for reference. The estimate of probable cost for design and construction of the Library and Cultural Arts Center Project ranges from $82,000,000 to $113,000,000 (in 2018 dollars) depending upon the program size and potential enhancements. The Cultural Arts Center is estimated to have an operating budget of approximately $877,000 with a 65% cost recovery, resulting in an operating subsidy of approximately $307,000. The Library component would be operated by SPL. Funding for construction of this facility has not been secured; however, some funds are collected by the City through the Capital Facilities Fee (a fair-share fee on new development) and some additional funding may be available from SPL. The available balance in Fund 315 (CFF – Library) is $3,101,009, as of June 30, 2018. Other funding may be available from the Laguna Ridge Community Facilities District (CFD-2005-1). None of these funding sources, either individually or cumulatively, are sufficient to construct the needed facility. Additionally, staff has not identified funding for the two branch libraries identified in the draft plan.

NEXT STEPS:

With Council input, feedback, and direction, Staff will complete the Master Plan Program and will return to Council to present the final version. The 2018-2023 Capital Improvement Program includes $2.1M for schematic design of the Civic Center Library in FY19/20.

ATTACHMENTS:

1. Elk Grove Library & Cultural Arts Facility Master Plan Draft
2. Cultural Arts Facility Feasibility Study Executive Summary Draft

ATTACHMENT 1

CITY OF
ELK GROVE
PROUD HERITAGE. BRIGHT FUTURE.

ELK GROVE
LIBRARY & CULTURAL ARTS FACILITY MASTER PLAN

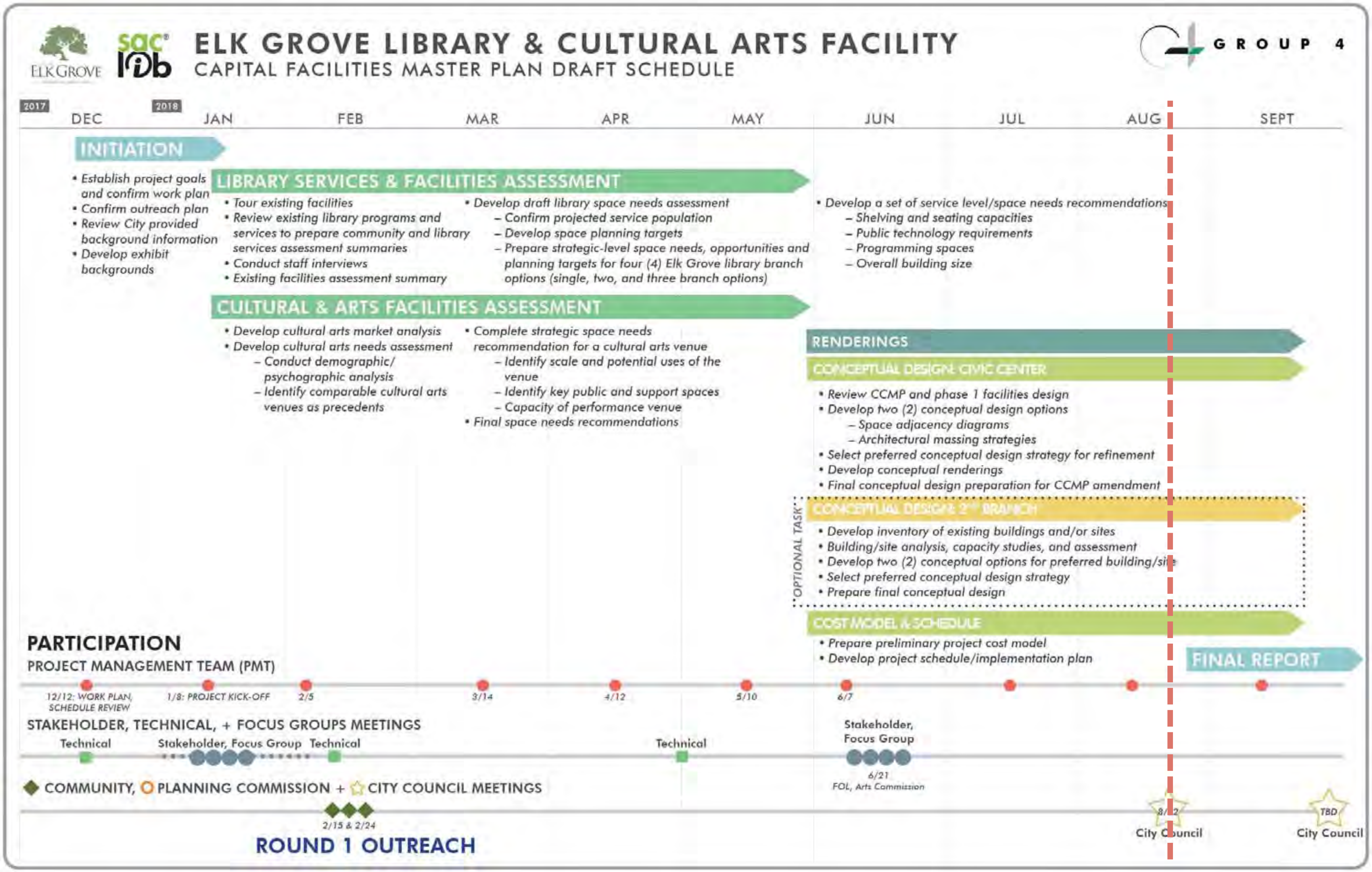
City Council Meeting 01
Council Packet

August 22, 2018

GROUP 4 AMS PLANNING & RESEARCH

AGENDA

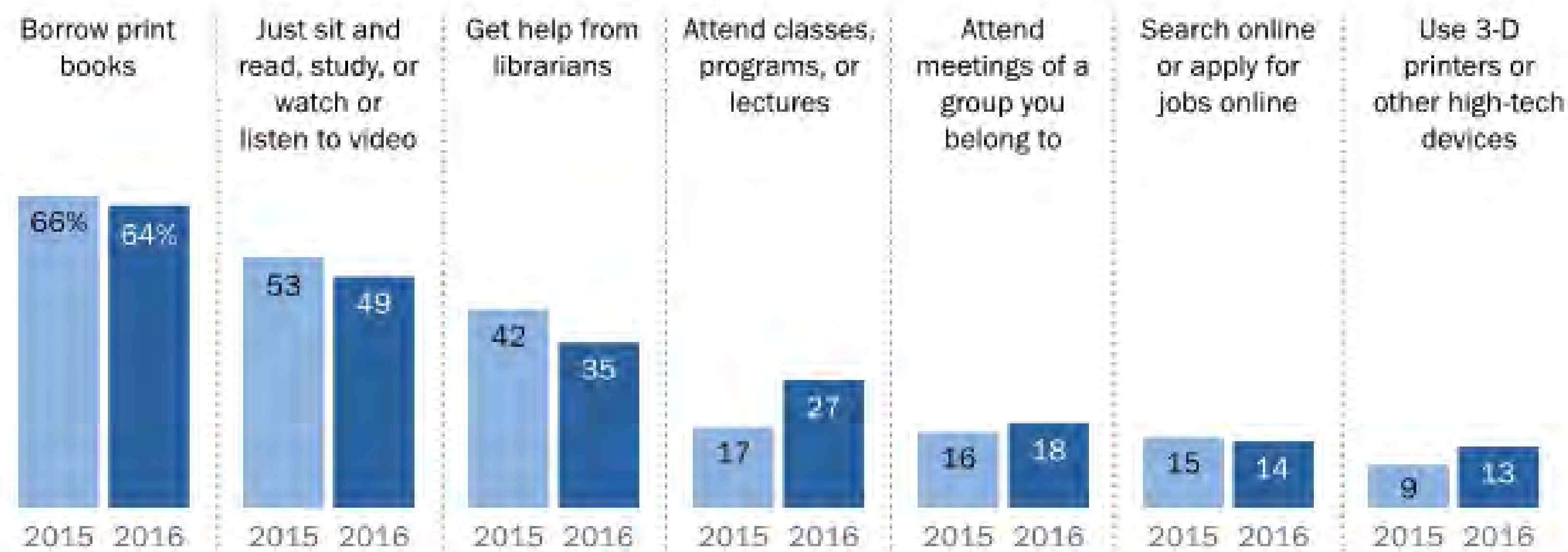
1. Project and Schedule Updates
2. Elk Grove Libraries Today
    a. *Facility Assessment and Usage Data*
    b. *Customer Mapping*
3. Community Outreach Summary
4. Elk Grove Libraries: System Strategy Recommendations
    a. *Options Review*
    b. *Civic Center Site Recommendations*
    c. *Draft Project Costs*
5. Next Steps


ELK GROVE
sac lib
ELK GROVE LIBRARY & CULTURAL ARTS FACILITY
CAPITAL FACILITIES MASTER PLAN DRAFT SCHEDULE
GROUP 4
2017
DEC
2018
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEPT
INITIATION
• Establish project goals and confirm work plan
• Confirm outreach plan
• Review City provided background information
• Develop exhibit backgrounds
LIBRARY SERVICES & FACILITIES ASSESSMENT
• Tour existing facilities
• Review existing library programs and services to prepare community and library services assessment summaries
• Conduct staff interviews
• Existing facilities assessment summary
• Develop draft library space needs assessment
– Confirm projected service population
– Develop space planning targets
– Prepare strategic-level space needs, opportunities and planning targets for four (4) Elk Grove library branch options (single, two, and three branch options)
• Develop a set of service level/space needs recommendations
– Shelving and seating capacities
– Public technology requirements
– Programming spaces
– Overall building size
CULTURAL & ARTS FACILITIES ASSESSMENT
• Develop cultural arts market analysis
• Develop cultural arts needs assessment
– Conduct demographic/psychographic analysis
– Identify comparable cultural arts venues as precedents
• Complete strategic space needs recommendation for a cultural arts venue
– Identify scale and potential uses of the venue
– Identify key public and support spaces
– Capacity of performance venue
• Final space needs recommendations
RENDERINGS
CONCEPTUAL DESIGN: CIVIC CENTER
• Review CCMP and phase 1 facilities design
• Develop two (2) conceptual design options
– Space adjacency diagrams
– Architectural massing strategies
• Select preferred conceptual design strategy for refinement
• Develop conceptual renderings
• Final conceptual design preparation for CCMP amendment
OPTIONAL TASK
CONCEPTUAL DESIGN: 2ND BRANCH
• Develop inventory of existing buildings and/or sites
• Building/site analysis, capacity studies, and assessment
• Develop two (2) conceptual options for preferred building/site
• Select preferred conceptual design strategy
• Prepare final conceptual design
COST MODEL & SCHEDULE
• Prepare preliminary project cost model
• Develop project schedule/implementation plan
FINAL REPORT
PARTICIPATION
PROJECT MANAGEMENT TEAM (PMT)
12/12: WORK PLAN, SCHEDULE REVIEW
1/8: PROJECT KICK-OFF
2/5
3/14
4/12
5/10
6/7
STAKEHOLDER, TECHNICAL, + FOCUS GROUPS MEETINGS
Technical
Stakeholder, Focus Group
Technical
Technical
Stakeholder, Focus Group
6/21
FOL, Arts Commission
COMMUNITY, PLANNING COMMISSION + CITY COUNCIL MEETINGS
2/15 & 2/24
ROUND 1 OUTREACH
8/?2
City Council
TBD
City Council

Libraries Today

Traditional activities – borrowing books or reading – dominate library use, but people are also attending classes or other programs

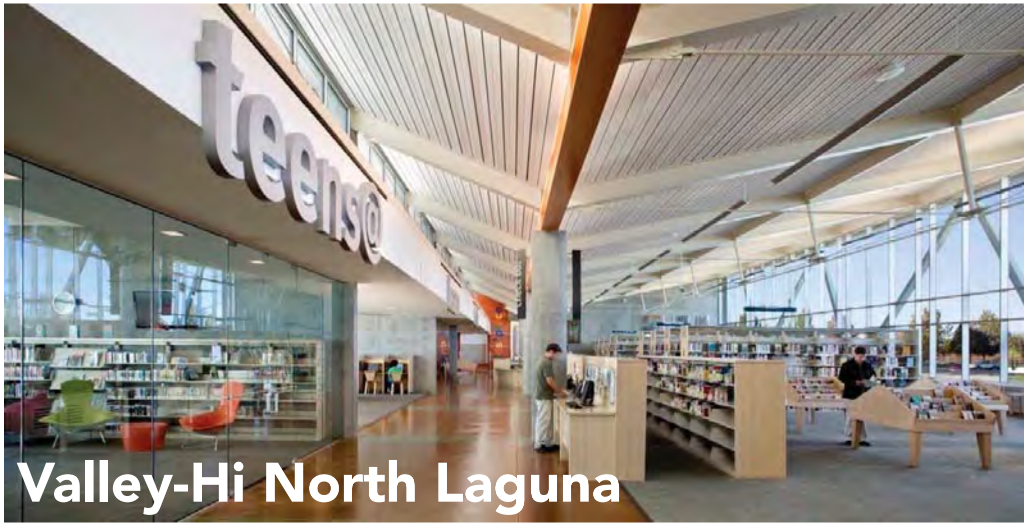
% of U.S. library users ages 16 and older who say they did the following at libraries in the past 12 months



Note: 48% of those ages 16 and older used libraries or bookmobiles in the past 12 months.
Source: Survey conducted March 7-April 4, 2016.
"Libraries 2016"

PEW RESEARCH CENTER

Comparable Statistics – Sacramento Public Library



Valley-Hi North Laguna

North Natomas

Library usage for SPL's newer full service branches are significantly higher than Elk Grove's outdated facilities:

Both **Valley Hi** and **North Natomas** receive nearly **twice (2x) as many visits per capita** as Elk Grove and Franklin Libraries

Valley Hi's *circulation per capita is nearly* ***twice (2x) the amount*** *as Elk Grove and Franklin Libraries*

Comparable Statistics – Neighboring Communities

Riley Library, Roseville

Arthur F. Turner Community Library, West Sacramento

JURISDICTION	SERVICE POPULATION	EXISTING LIBRARY SF	SF/RESIDENT
Elk Grove	~174,000	~34,000 sf	0.19
Roseville	~136,000	~54,000 sf	0.40
Yolo County	~159,000	~70,000 sf	0.44
Solano County	~380,000	139,000 sf	0.37

**Statistics obtained from California State Library website*

*Neighboring communities have **twice (2x) as much library space** compared to Elk Grove*

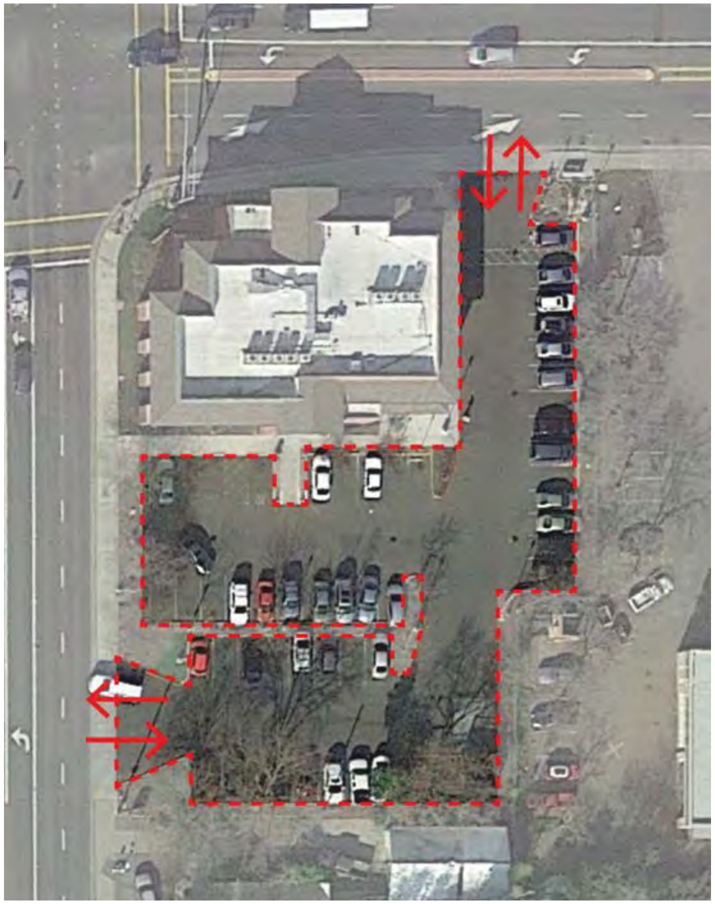
ELK GROVE LIBRARY

Overview

- Tenant improvements to the spec office building were completed in 2007
- Located east of HWY 99, at the entrance to historic downtown Elk Grove on the corner of Elk Grove Blvd.
- 13,785 square feet
- Consistently one of the top five circulating libraries within the system

Service	Current
Service Area Population	*68,200 (TODAY)* *74,100 (2036) ~9% increase in service area population by 2036*
Number of Card Holders	40,400 *60% of the service area has a library card*
Collection Size	52,900 *(0.8 items per capita)*
Total Program Attendance*	8,700
Library Visits*	150,900 *(2.2 visits per capita)*

**Statistics represent July 2017-June 2018*



- Inefficient parking lot layout and inadequate amount of parking spaces

ELK GROVE LIBRARY

EXISTING SITE & FACILITY ASSESSMENT

- Two-story design creates operational and user challenges

- Lack of adequate collaborative meeting space for current patron demand

ELK GROVE LIBRARY

EXISTING SITE & FACILITY ASSESSMENT

- Quality of building construction does not reflect public library building standards as it was originally designed as a spec office

- Identified structural, mechanical, and acoustical issues within the building

FRANKLIN LIBRARY

Overview

- The library was constructed in 2002 as a joint-use facility operated by the Elk Grove Unified School District and SPL, serving as both a school and public library
- Located west of HWY 99 surrounded by relatively new housing developments
- 19,621 square feet
- Consistently one of the top five circulating libraries within the system

Service	Current
Service Area Population	*108,400 (TODAY)* *135,700 (2036) ~25% increase in service area population by 2036*
Number of Card Holders	29,800 *(27% of the service area has a library card)*
Collection Size	67,000 *(0.6 books per capita)*
Total Program Attendance*	10,500 *(teen program attendance third highest in the system)*
Library Visits*	260,900 *(2.4 visits per capita)*

**Statistics represent July 2017-June 2018*

FRANKLIN LIBRARY

EXISTING SITE & FACILITY ASSESSMENT

- Building entry somewhat remote from adjacent parking lot, but amount of parking provided is sufficient

- Unenclosed technology labs create patron distractions in addition to space deficiencies for both library adjacent school joint-use

FRANKLIN LIBRARY

EXISTING SITE & FACILITY ASSESSMENT

- Open floor plan creates acoustical issues
- Lack of natural daylighting
- Worn finishes and furniture throughout

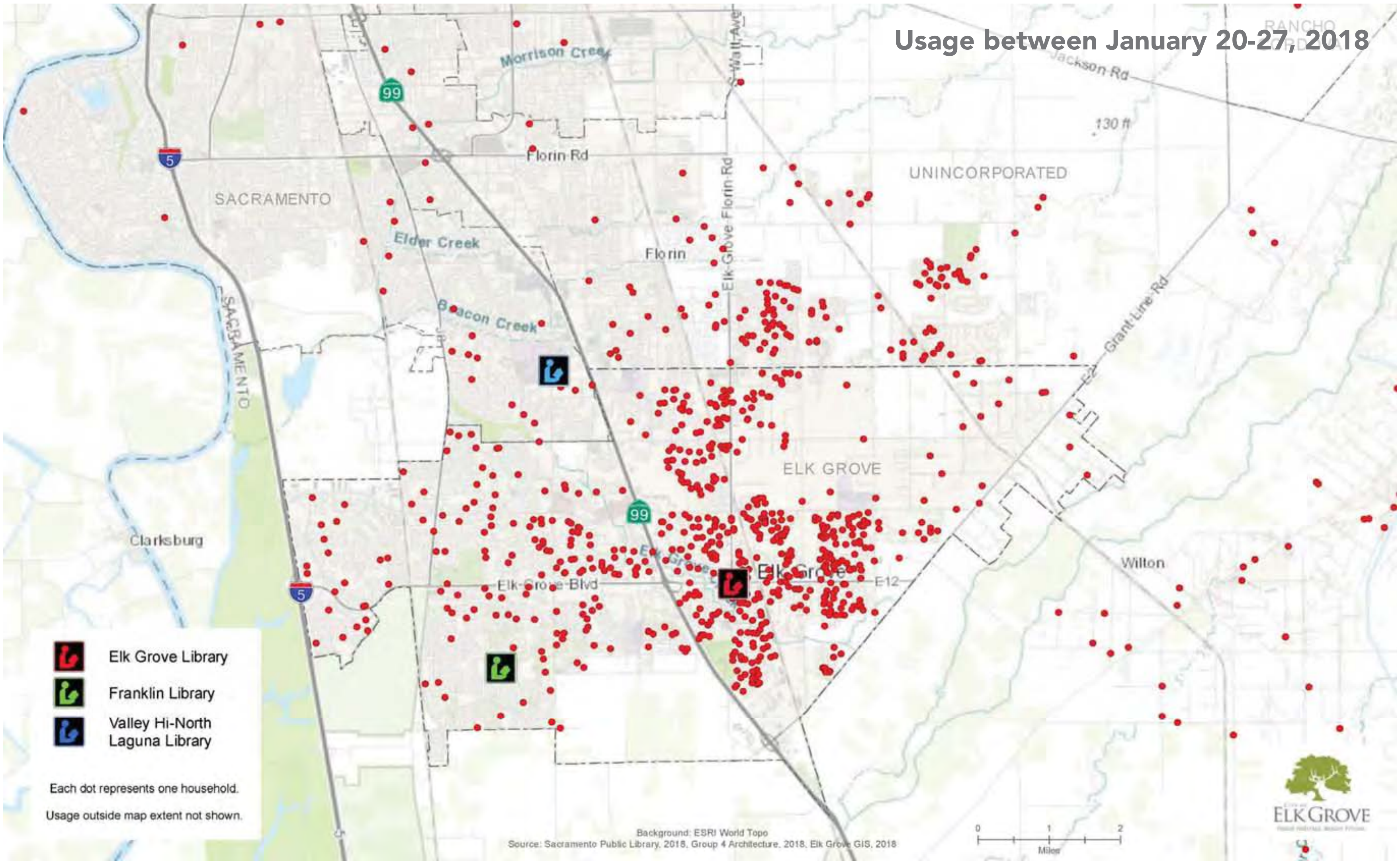
- Lack of branding in Teen and Children's areas creates spaces that are uninspiring indistinguishable from other areas of the library

ELK GROVE DEMOGRAPHIC OVERVIEW

- Elk Grove Population: ~174,000
- Family-forward community:
  - *Nearly half of households in Elk Grove have children under 18 years old*
  - *Four out of every five Elk Grove households are considered "family households"*
- Racially diverse community:
  - *30% of the community identifies as Asian*
  - *18% of the community identifies as Hispanic*
  - *12% of the community identifies as Black*

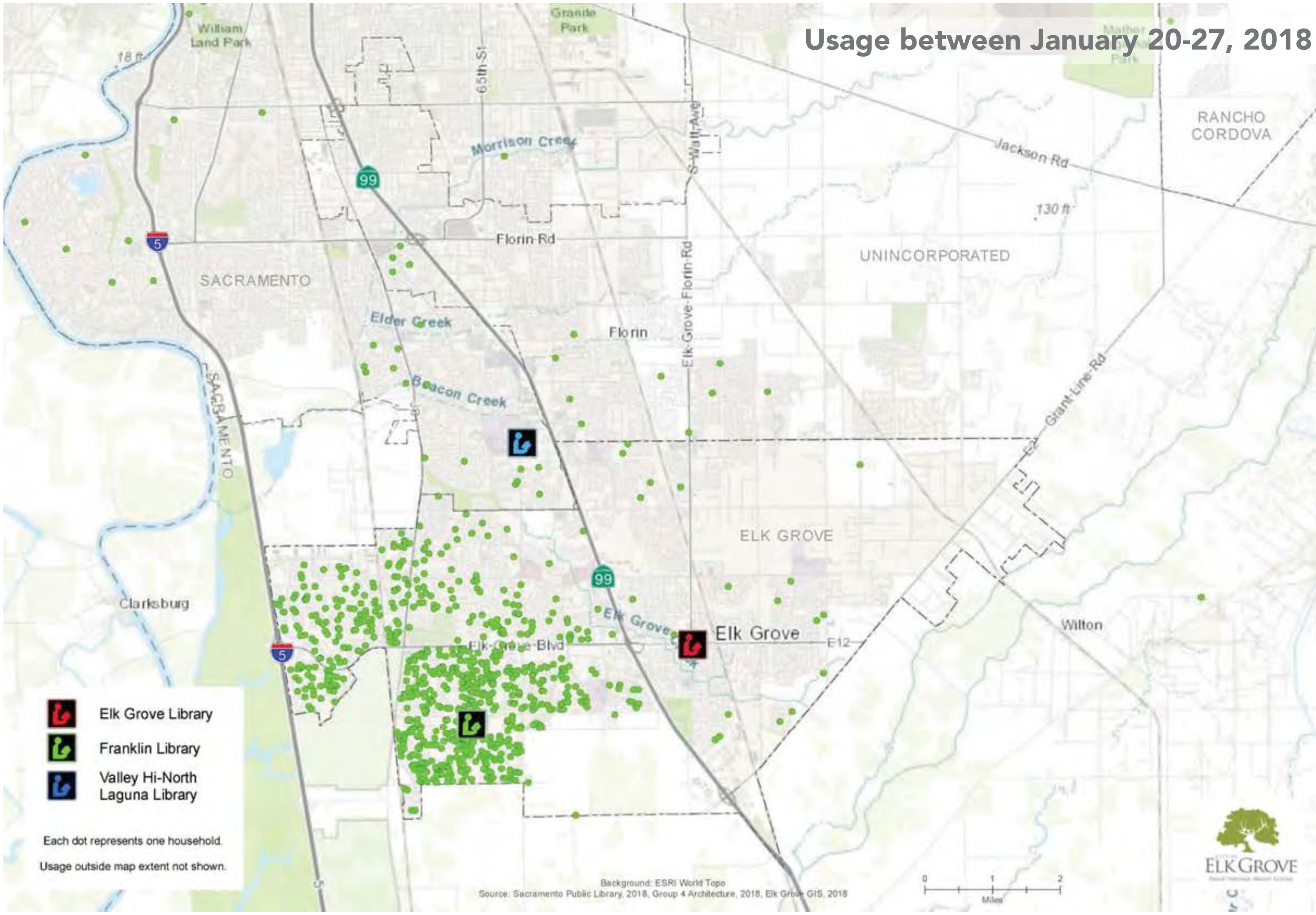
ELK GROVE LIBRARY

CUSTOMER MAPPING



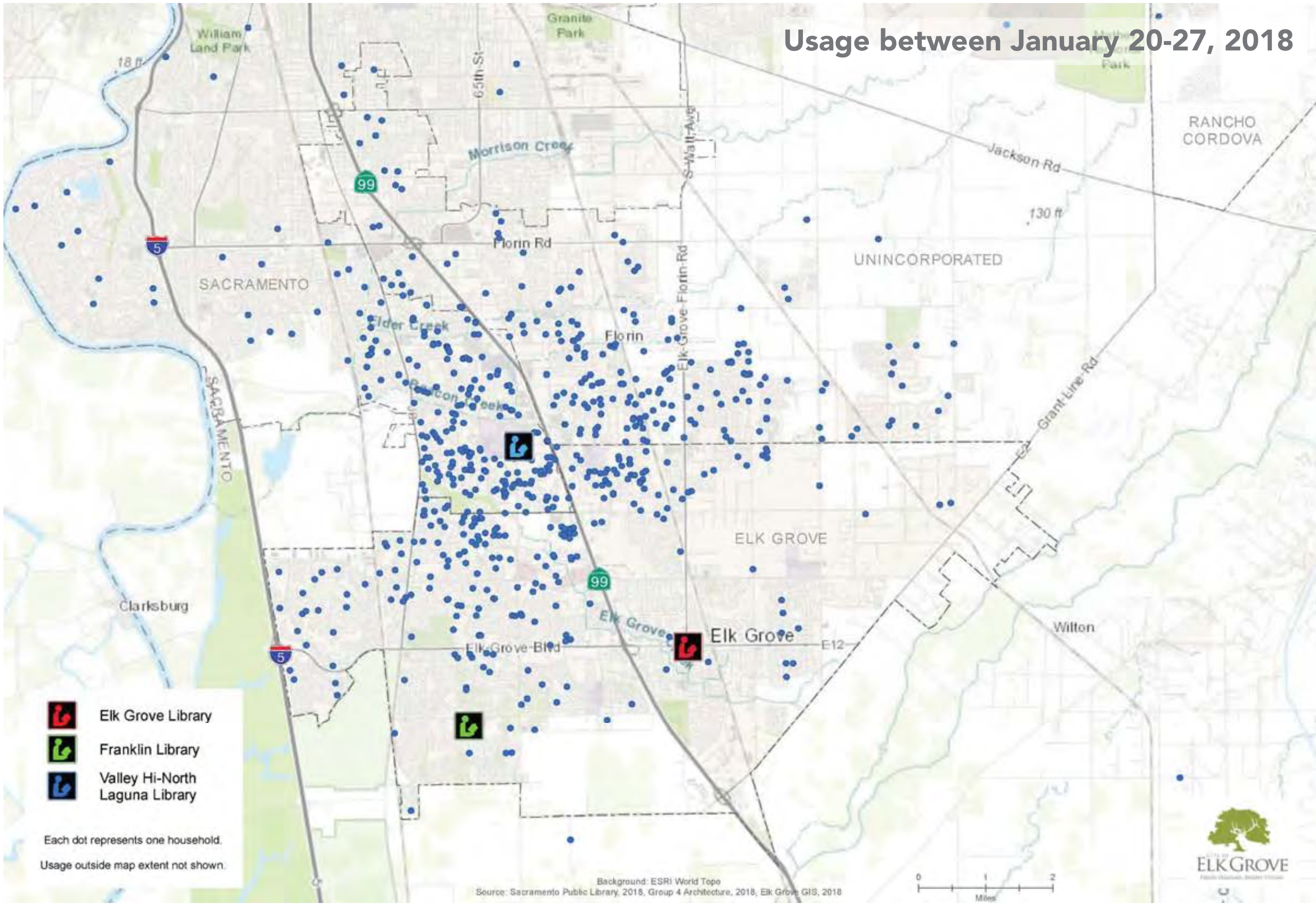
FRANKLIN LIBRARY

CUSTOMER MAPPING

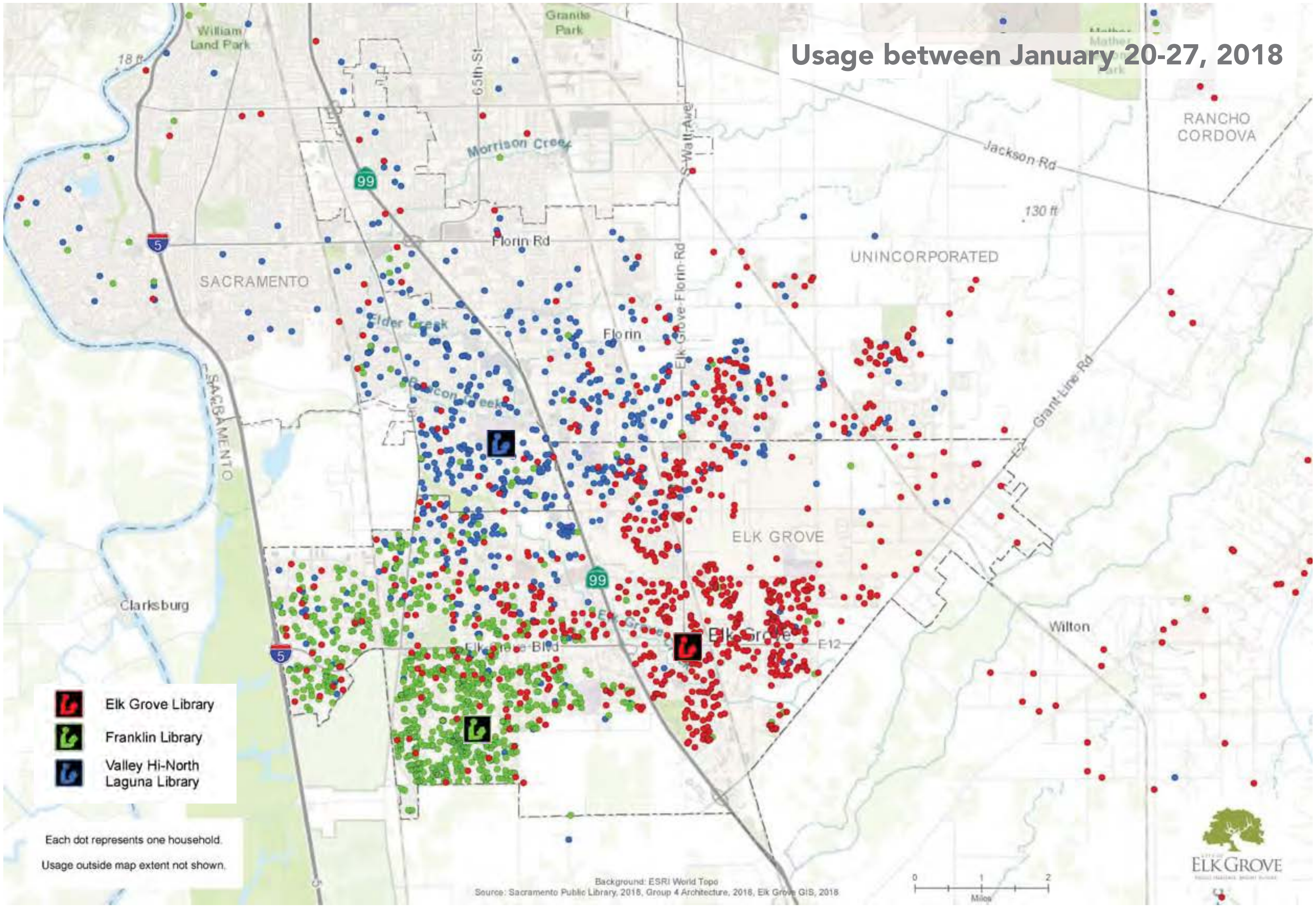


VALLEY-HI LIBRARY

CUSTOMER MAPPING



CUSTOMER MAPPING: ALL AREA LIBRARIES



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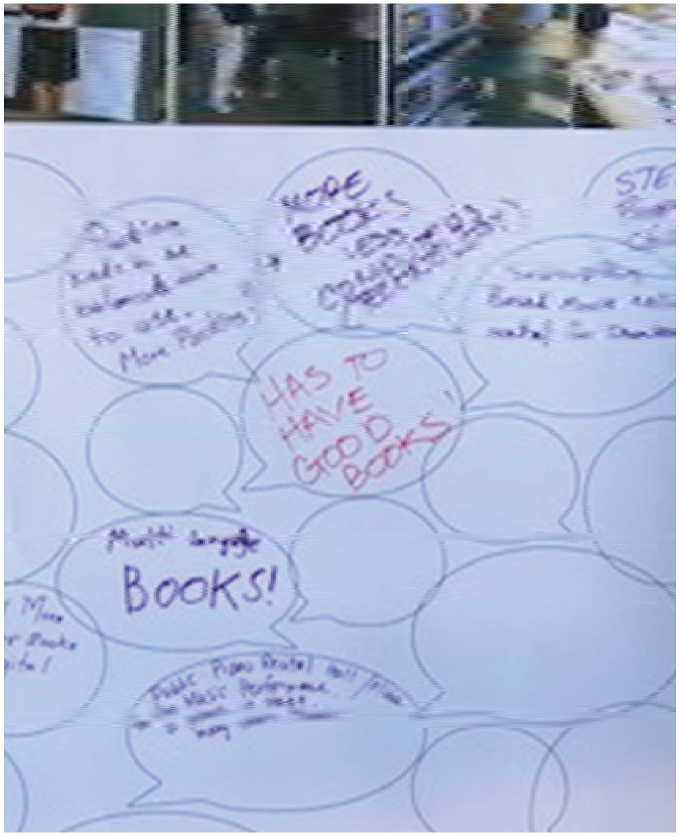
LIBRARY



Online Survey: 444 participants: (224 submitted, 141 opened, 79 partial responses)
Community Outreach Events (2/15 & 2/24): ~125 participants
Total: ~569 participants

ELK GROVE LIBRARY

LIKES: What do you like about the Elk Grove Library?

More than **a quarter of respondents** commented on the **library's convenient location**. Other reoccurring comments included the cleanliness, organization, staff friendliness, and availability to library materials.

- *"Location, ease of use, friendliness of staff, cleanliness"*
- *"Small town feel. I can go and recognize friends and neighbors"*
- *"Conveniently located"*
- *"I really like how it looks on the inside, which makes me want to spend more time there. Also, it's location"*
- *"The building is nice, but not large enough"*
- *"That it's connected to other Sacramento Public Libraries"*
- *All of the resources available to me – the librarians, computers, videos, and ordering everything else I need"*

ELK GROVE LIBRARY

DISLIKES: What do you dislike about the Elk Grove Library?

Over **half of the respondents** commented that they **disliked the lack of parking and layout of the lot**. Other reoccurring dislikes included the small size and noise when crowded.

- *"The parking lot is terrible – the crowded lot discourages me from using the facility"*
- *"Parking – it's hard to get in and out of the library when busy and on the busy intersection"*
- *"Even though it's closer, I usually go to the Franklin Library because the parking is so hard [at Elk Grove Library]"*
- *"The hours; how rowdy it gets when the kids show up after school"*
- *"Too small – basic small town library. The City has outgrown this model of library"*

FRANKLIN LIBRARY

LIKES: What do you like about the Elk Grove Library?

Similar to the Elk Grove Library feedback, **more than a quarter of respondents** commented on the **Franklin Library's convenient location**. Other reoccurring comments included the availability of parking, spaciousness, friendly staff, and material offerings.

- *"Everything, especially the abundant parking spaces and easy in and out access. Good programs as well"*
- *"Close to my child's school and our home. Community programs, such as Lego's, robotics, and the book sales"*
- *Great layout, helpful and kind staff, great hours, and plenty of parking"*
- *"Good selection, fun events for families, easy parking"*
- *"It's close to my school – I like the homework area, the computers, and teen space"*
- *"It's good for the kids who attend the neighborhood schools"*

FRANKLIN LIBRARY

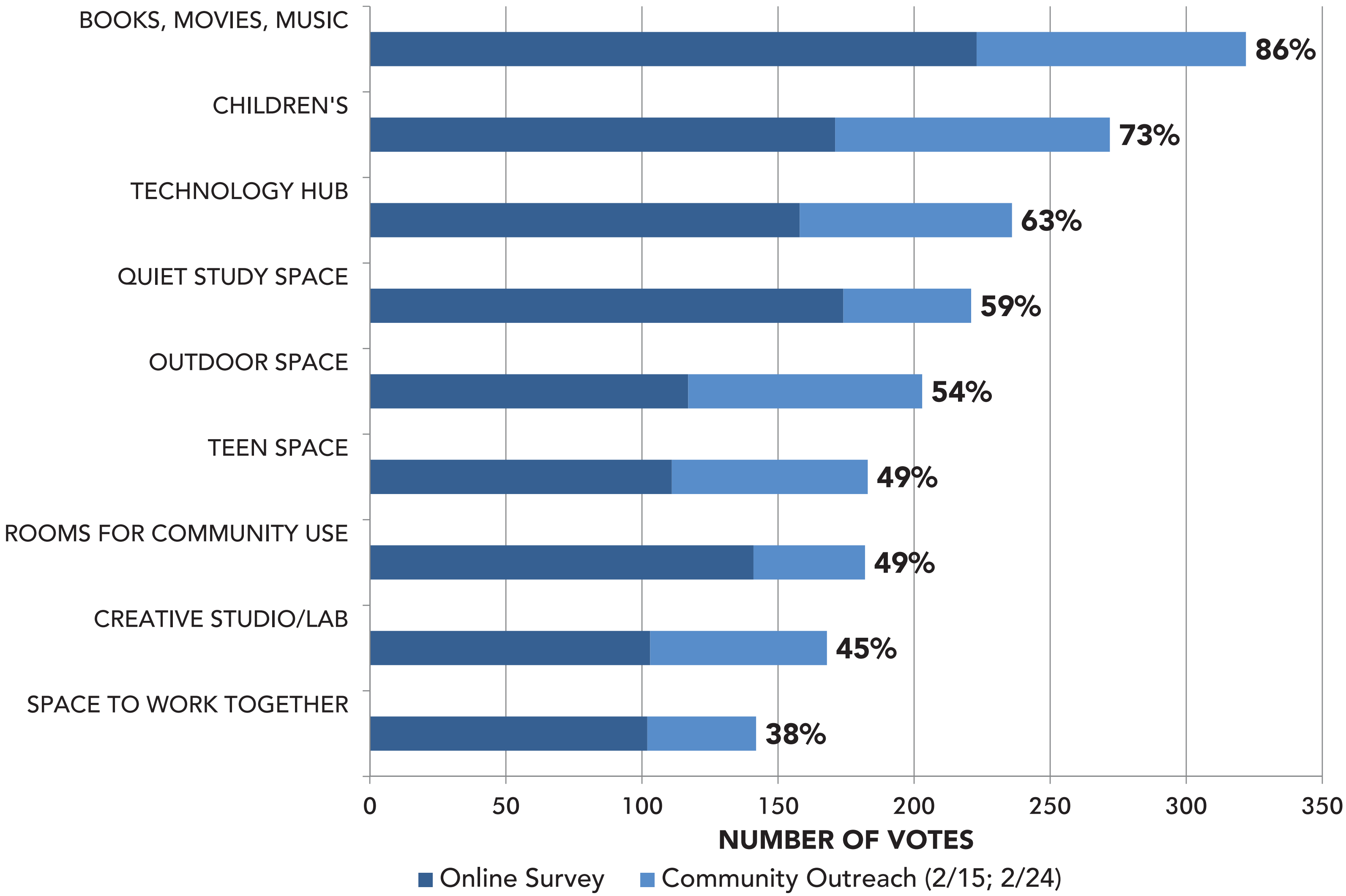
DISLIKES: What do you dislike about the Elk Grove Library?

About **a quarter of respondents** commented on the **difficulties that are created in the joint-use of the library by SPL and area schools –** congestion, noise, and lack of designated space. Other dislikes included the location and hours of service.

- *"It's also a high school library"*
- *"The noise! What happened to being quiet in the library? People are socializing, on their phones"*
- *"Congested at school closing hours"*
- *"It's interiors are sad and worn out"*
- *"No private working or meeting rooms"*
- *"Too small for a school and community. There should be a separate library for the community"*
- *"Feels like a school library"*

LIBRARY

LIBRARY SPACES: Which of the following library spaces are most important for you to have in your library?



TOP PRIORITIES FOR LIBRARY SPACES: ***(above 50%)***

1. Space for books, movies, and music
2. Children's Space
3. Technology Hub
4. Quiet Study Space
5. Outdoor Space

LIBRARY

COMMUNITY SURVEY RESULTS: TOP FIVE PRIORITIES FOR LIBRARY SPACES

Space for books, movies, and music

Children's space

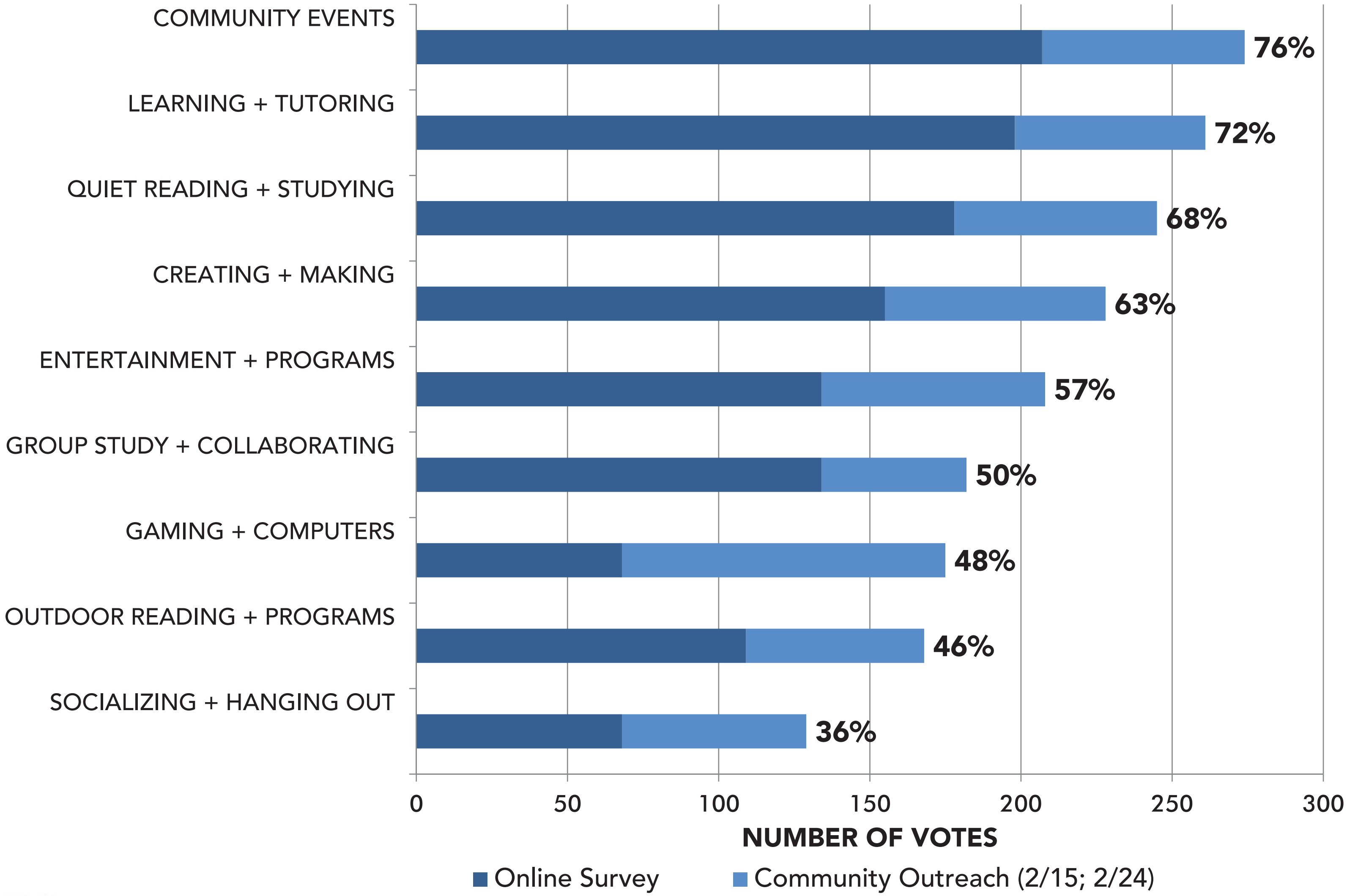
Technology hub

Quiet study space

Outdoor space

LIBRARY

LIBRARY ACTIVITIES: Which of the following activities are most important to you in your library?

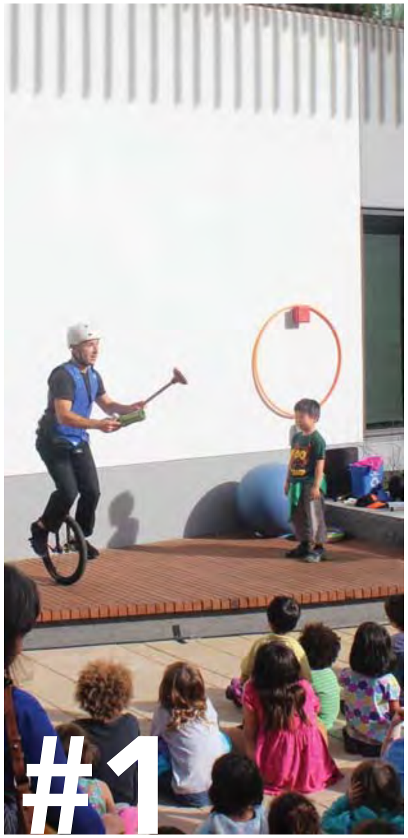


TOP PRIORITIES FOR LIBRARY ACTIVITIES: ***(above 50%)***

1. Community Events
2. Learning + Tutoring
3. Quiet Reading + Studying
4. Creating + Making
5. Entertainment + Programs
6. Group Study + Collaborating

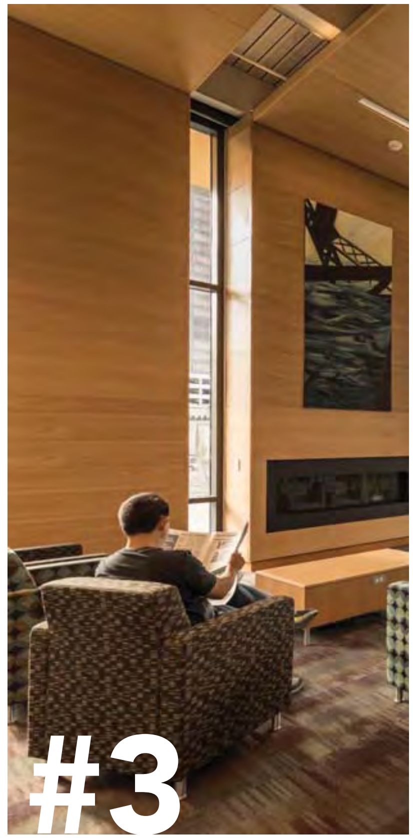
LIBRARY

COMMUNITY SURVEY RESULTS: TOP FIVE PRIORITIES FOR LIBRARY ACTIVITIES



Community events

Learning + tutoring



Quiet reading and studying

Entertainment + programs

Group study + collaborating

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Summary – System Strategies

	POPULATION (2036 PROJECTION)*	LIBRARY TOTAL SQUARE FEET	NUMBER OF LIBRARIES	SQUARE FOOT/CAPITA
SPL 2007-2025 Master Plan	~210,000	~108,000	5 total	0.5
Interim Phase	~210,000	~79,000 – 94,000 sf	3 total	0.37 – 0.45
Proposed Strategy	~210,000	~90,000 – 110,000 sf	2-3 total	0.43 – 0.52

**Based on SACOG Information Center July 2016*

INTERIM PHASE

3 LIBRARIES:

1 DESTINATION AND 2 EXISTING BRANCH LIBRARIES

NEW DESTINATION LIBRARY & THEATER

65,000 - 90,000 Total sf @ Civic Center Site

45,000 - 60,000 sf Library

20,000-30,000 SF Theater, 300-500 fixed seats

EXISTING BRANCH LIBRARIES

~**20,000 sf** *at Franklin Library*

~**14,000 sf** *at Elk Grove Library*

Maintain branches at both existing libraries

PROPOSED STRATEGY

2-3 LIBRARIES:

1 DESTINATION AND 1-2 BRANCH LIBRARIES

NEW DESTINATION LIBRARY & THEATER

65,000 - 90,000 Total sf @ Civic Center Site

45,000 - 60,000 sf Library

20,000-30,000 SF Theater, 300-500 fixed seats

NEW COMMUNITY BRANCH LIBRARY

25,000 - 30,000 sf

on Elk Grove east side

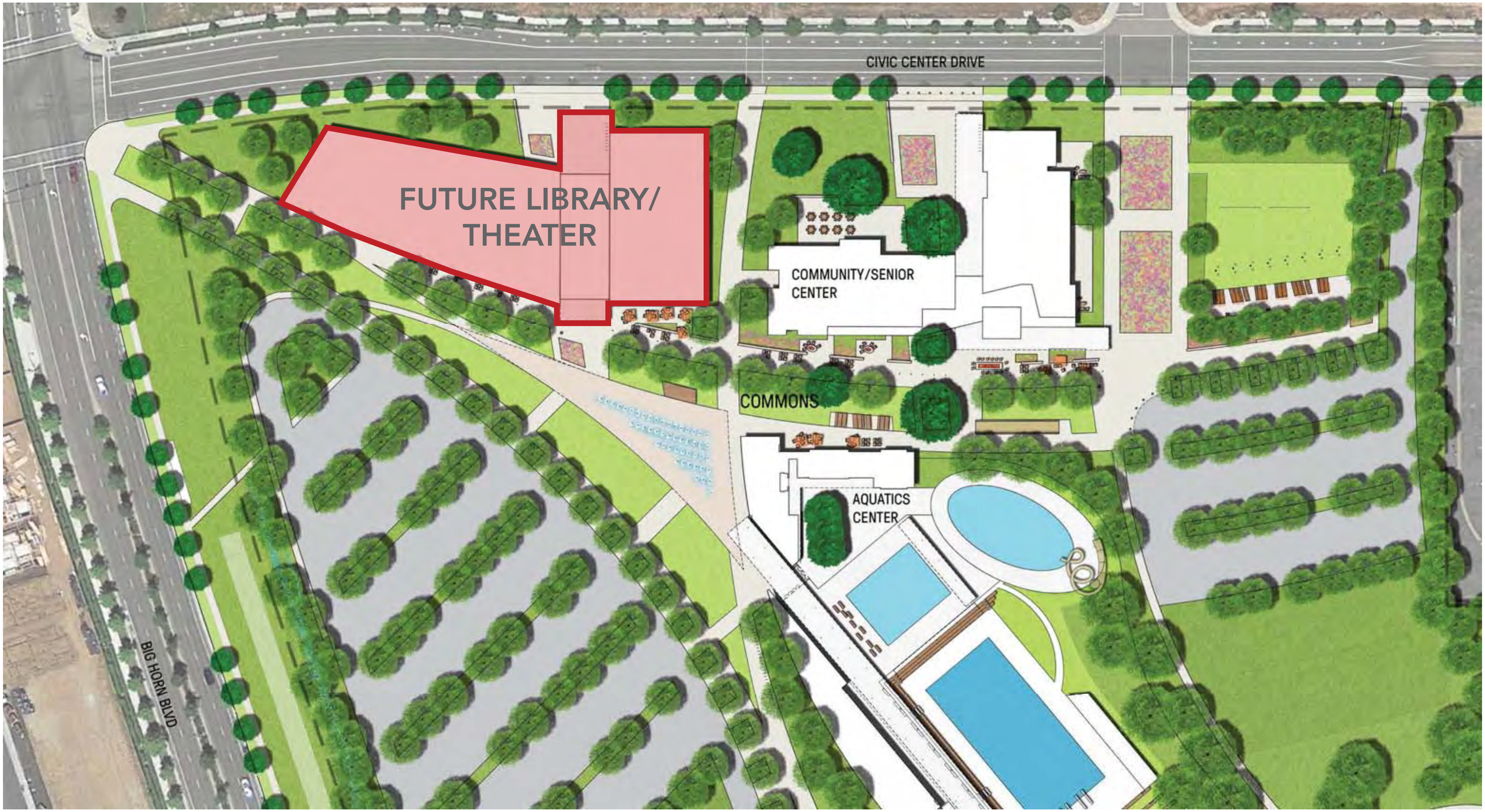
EXISTING BRANCH LIBRARIES

20,000 sf at Franklin Library (Focused service TBD)

Repurpose Elk Grove Library (Services relocated to new east side branch)

LIBRARY

CIVIC CENTER SITE PLAN



GROUP 4 AMS

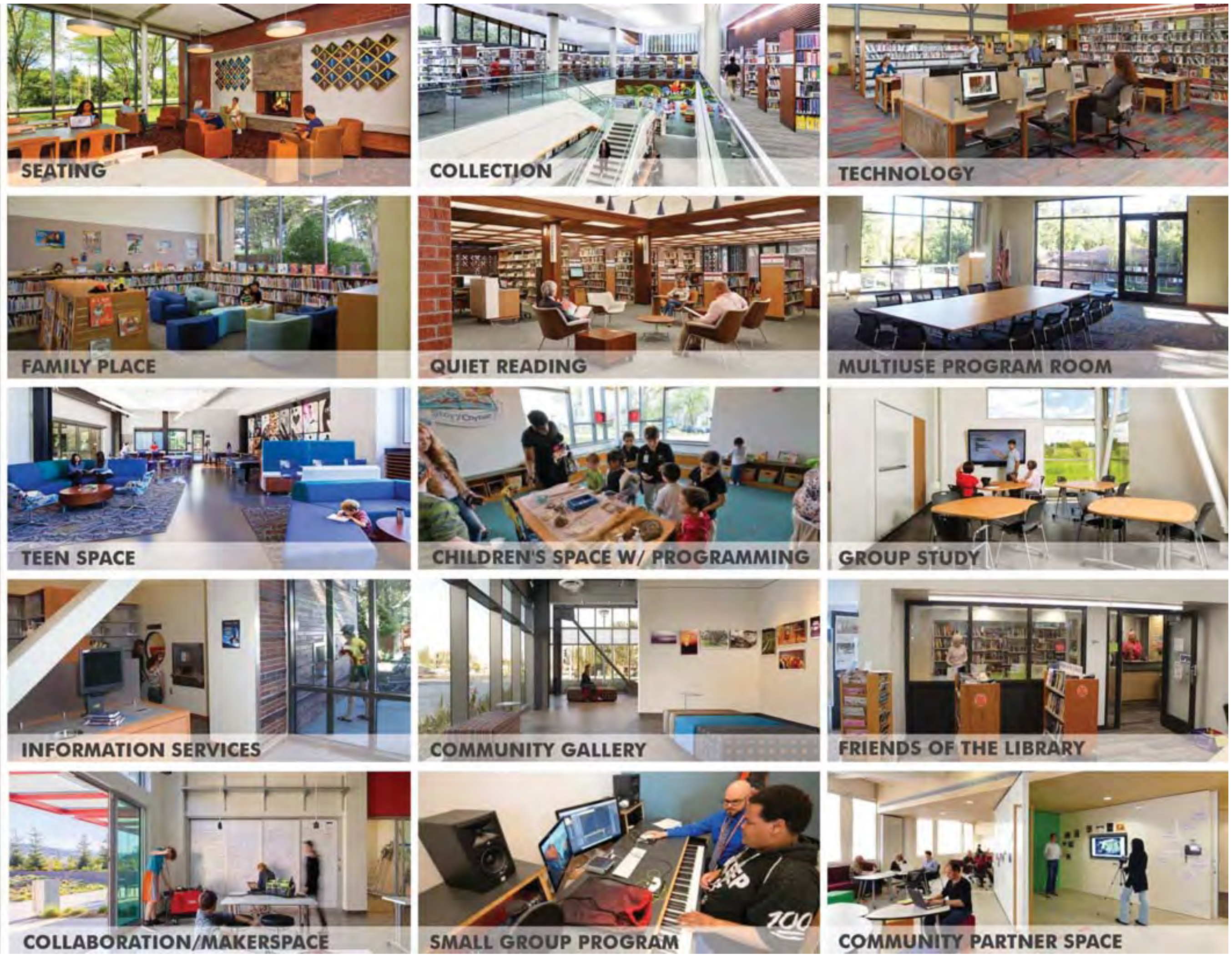
~45,000 SF LIBRARY

BASE OPTION

LIBRARY SERVICES

- Seating
- Collection
- Technology
- Family Place
- Quiet Reading
- Multiuse Program Room
- Teen Space
- Children's Space w/ Programming
- Group Study
- Information Services
- Community Gallery
- Friends of the Library
- Collaboration/Maker space
- Small Group Program
- Community Partner Space

LIBRARY SERVICES



TRADITIONAL LIBRARY SPACES

Adult Collections

Children's

Teen Area

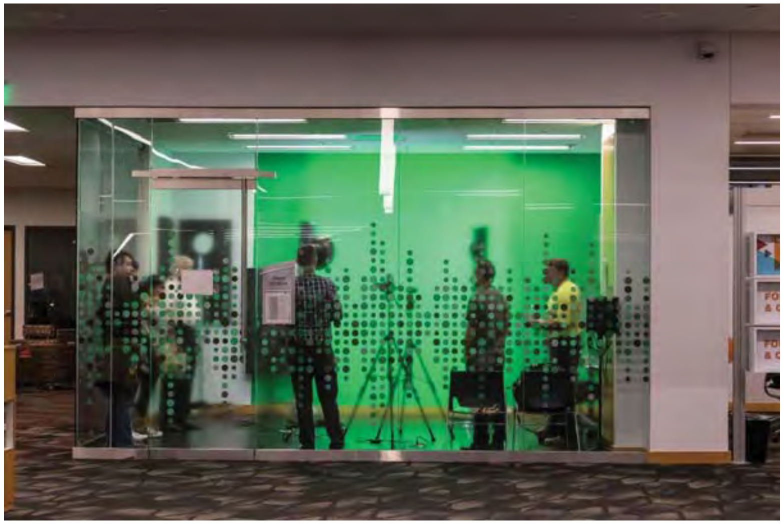
Quiet Reading + Study

PROGRAM SPACES

Community Hall

Maker Space

Partner Space



Gallery

~60,000 SF LIBRARY

PROGRAM ENHANCEMENTS

LIBRARY SERVICES

- Seating
- Collection
- Technology
- Family Place
- Quiet Reading
- Multiuse Program Room
- Teen Space
- Children's Space w/ Programming
- Group Study
- Information Services
- Community Gallery
- Friends of the Library
- Collaboration/Maker space
- Small Group Program
- Community Partner Space

+

CHILDREN'S THEATER

STUDIO CREATE TINKER

GALLERY

EXHIBIT DISPLAY SHOWCASE

OPPORTUNITY SPACE

PARTNER CREATE TINKER

BUSINESS CENTER

MEET CO-WORKING ENGAGE

ENHANCEMENTS

Children's Theater

Business Center

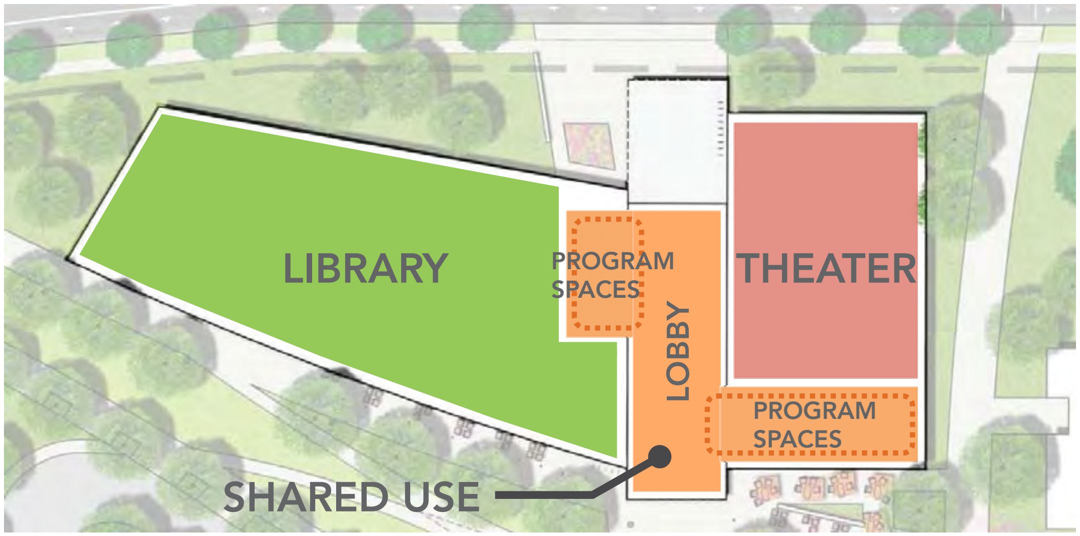
Opportunity Space

Enhanced Gallery

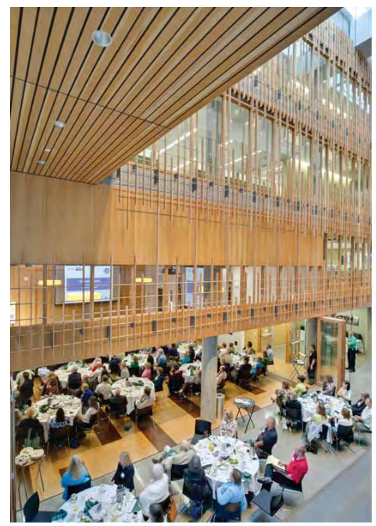
44

LIBRARY & THEATER

SHARED SPACE OPPORTUNITIES




Lobby and Gallery example




Multiuse Program Space

POTENTIAL SHARED USE SPACES BETWEEN LIBRARY AND THEATER COMPONENTS:

- Lobby
- Central Information Desk
- Multiuse Program Space
- Maker Space
- Opportunity Space
- Gallery
- Central Restrooms

DRAFT PROJECT COSTS – CIVIC CENTER SITE

BUILDING	**SMALL**	**LARGE**
	65,000 SF	*90,000 SF*
Library	$28M	$39M
Theater	$18M	$26M
SITE		
Surface Parking	$3M	$3M
Hardscape/plaza	$2M	$2M
TOTAL CONSTRUCTION	$51M	$70M

FF&E & OTHER COSTS	**SMALL**	**LARGE**
FF&E	$5M	$6M
TOTAL HARD COST	$56M	$76M

SOFT COSTS	**SMALL**	**LARGE**
Project Contingency	$6M	$8M
Soft Costs	$20M	$29M
TOTAL PROJECT BUDGET	**$82M**	**$113M**

LIBRARY
Small Option: 45,000 sf
Large Option: 60,000 sf

THEATER
Small Option: 20,000 sf
Large Option: 30,000 sf

**Project costs shown in 2018 dollars*
**Costs/sf based off of recent construction estimates from 2018 projects being development*

INTERIM PHASE

3 LIBRARIES:

1 DESTINATION AND 2 EXISTING BRANCH LIBRARIES

NEW DESTINATION LIBRARY & THEATER

65,000 - 90,000 Total sf @ Civic Center Site

45,000 - 60,000 sf Library

20,000-30,000 SF Theater, 300-500 fixed seats

EXISTING BRANCH LIBRARIES

~20,000 sf *at Franklin Library*

~14,000 sf *at Elk Grove Library*

Maintain branches at both existing libraries

DRAFT PROJECT BUDGET

Civic Center Library & Theater: $82-113M

PROPOSED STRATEGY

2-3 LIBRARIES:

1 DESTINATION AND 1-2 BRANCH LIBRARIES

NEW DESTINATION LIBRARY & THEATER

65,000 - 90,000 Total sf @ Civic Center Site

45,000 - 60,000 sf Library

20,000-30,000 SF Theater, 300-500 fixed seats

NEW COMMUNITY BRANCH LIBRARY

25,000 - 30,000 sf

on Elk Grove east side

EXISTING BRANCH LIBRARIES

20,000 sf at Franklin Library (Focused service TBD)

Repurpose Elk Grove Library (Services relocated to new east side branch)

DRAFT PROJECT BUDGET

Civic Center Library & Theater: $82-113M

Future east side branch library: $33-38M

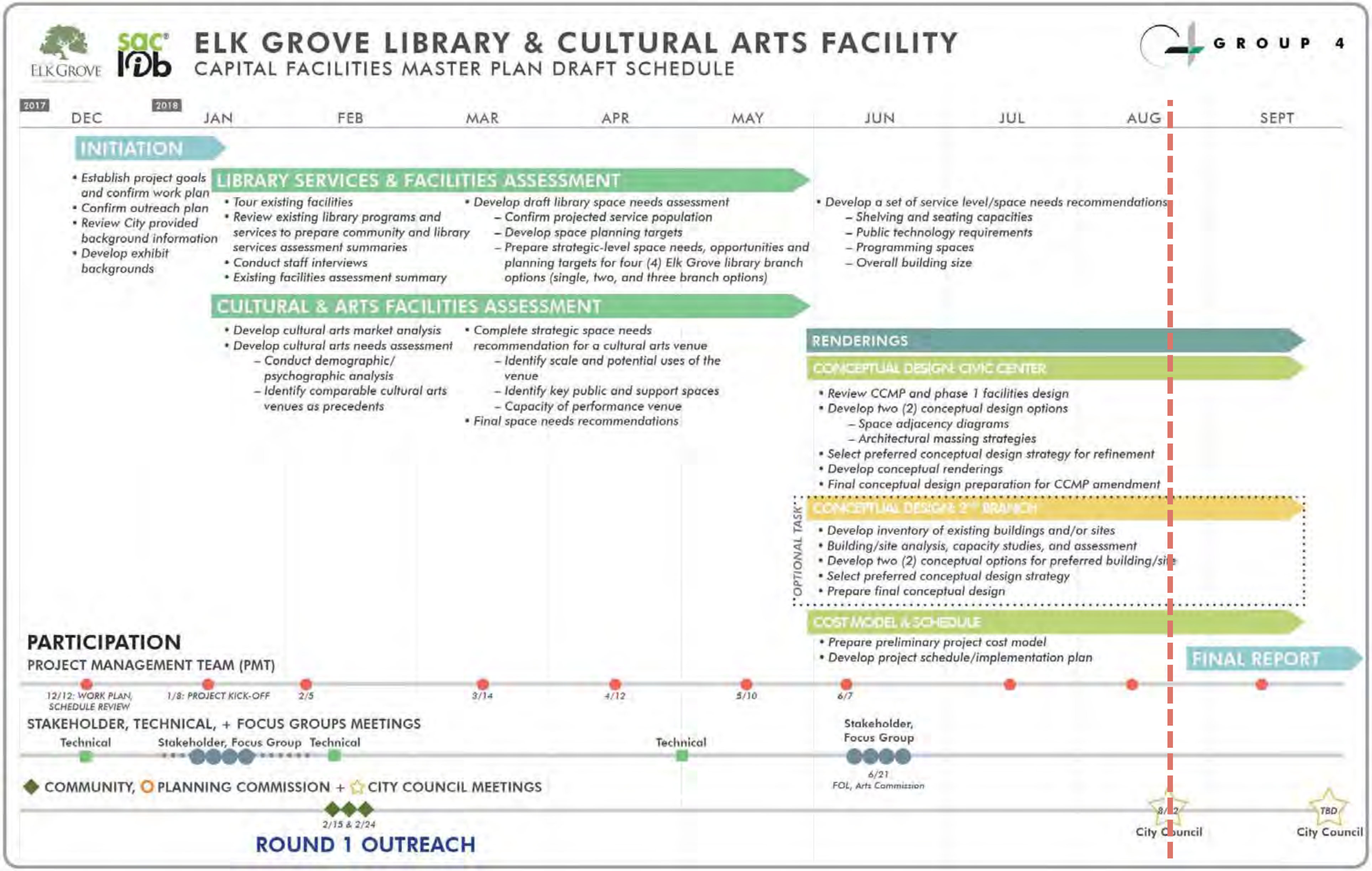
Project budget: $32-37M

Site acquisition: $1M


OVE LIBRARY

AGENDA

1. Project and Schedule Updates
2. Elk Grove Libraries Today
    a. *Facility Assessment and Usage Data*
    b. *Customer Mapping*
3. Community Outreach Summary
4. Elk Grove Libraries: System Strategy Recommendations
    a. *Options Review*
    b. *Civic Center Site Recommendations*
    c. *Draft Project Costs*
5. Next Steps


ELK GROVE
sac lib
ELK GROVE LIBRARY & CULTURAL ARTS FACILITY
CAPITAL FACILITIES MASTER PLAN DRAFT SCHEDULE
GROUP 4
2017
DEC
2018
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEPT
INITIATION
• Establish project goals and confirm work plan
• Confirm outreach plan
• Review City provided background information
• Develop exhibit backgrounds
LIBRARY SERVICES & FACILITIES ASSESSMENT
• Tour existing facilities
• Review existing library programs and services to prepare community and library services assessment summaries
• Conduct staff interviews
• Existing facilities assessment summary
• Develop draft library space needs assessment
– Confirm projected service population
– Develop space planning targets
– Prepare strategic-level space needs, opportunities and planning targets for four (4) Elk Grove library branch options (single, two, and three branch options)
• Develop a set of service level/space needs recommendations
– Shelving and seating capacities
– Public technology requirements
– Programming spaces
– Overall building size
CULTURAL & ARTS FACILITIES ASSESSMENT
• Develop cultural arts market analysis
• Develop cultural arts needs assessment
– Conduct demographic/ psychographic analysis
– Identify comparable cultural arts venues as precedents
• Complete strategic space needs recommendation for a cultural arts venue
– Identify scale and potential uses of the venue
– Identify key public and support spaces
– Capacity of performance venue
• Final space needs recommendations
RENDERINGS
CONCEPTUAL DESIGN: CIVIC CENTER
• Review CCMP and phase 1 facilities design
• Develop two (2) conceptual design options
– Space adjacency diagrams
– Architectural massing strategies
• Select preferred conceptual design strategy for refinement
• Develop conceptual renderings
• Final conceptual design preparation for CCMP amendment
OPTIONAL TASK
CONCEPTUAL DESIGN: 2ND BRANCH
• Develop inventory of existing buildings and/or sites
• Building/site analysis, capacity studies, and assessment
• Develop two (2) conceptual options for preferred building/site
• Select preferred conceptual design strategy
• Prepare final conceptual design
COST MODEL & SCHEDULE
• Prepare preliminary project cost model
• Develop project schedule/implementation plan
FINAL REPORT
PARTICIPATION
PROJECT MANAGEMENT TEAM (PMT)
12/12: WORK PLAN, SCHEDULE REVIEW
1/8: PROJECT KICK-OFF
2/5
3/14
4/12
5/10
6/7
STAKEHOLDER, TECHNICAL, + FOCUS GROUPS MEETINGS
Technical
Stakeholder, Focus Group
Technical
Technical
Stakeholder, Focus Group
6/21
FOL, Arts Commission
COMMUNITY, PLANNING COMMISSION + CITY COUNCIL MEETINGS
2/15 & 2/24
ROUND 1 OUTREACH
8/22
City Council
TBD
City Council

ATTACHMENT 2

Cultural Arts Facility Feasibility Study

Executive Summary

City of Elk Grove, California

August 2018

AMS Planning & Research Corp.

Contents

Introduction

AMS was engaged in November 2017 by Group 4 Architecture, Research + Planning, Inc. (Group 4) to support the City of Elk Grove in a Library Services and Cultural Arts Facilities Plan for the City's new Civic Center Development.[1] AMS was asked to complete a feasibility study for a proposed performing arts facility co-located with a new library on the City's new Civic Center site. AMS conducted a comprehensive assessment to understand the market characteristics and context, determine the ideal size and configuration of a potential performing arts facility, and project the operational and financial implications of a new facility. AMS supported a working group with Group 4 and City leadership, and engaged community stakeholders throughout the process.

Through this study, AMS concluded that a new performing arts facility is feasible for the City, and that there is perceived need and community support for a facility of this kind. This report documents the process and provides data, information and recommendations for next steps in developing a new performing arts facility in the City of Elk Grove.

[1] The name of the development ("Civic Center") has not been finalized by the writing of this report, and is likely to change.

Phase 1- Situation Analysis

AMS reviewed numerous materials related to the City's plan for the Library Services and Cultural Arts Facilities project and other data to understand the community and to begin addressing the following questions:

- What are **the market characteristics?** What is the **context?**
- How could this project **complement other community goals**?
- What **facilities** exist and **what needs are** currently unmet?
- What is the **ideal size and configuration** of a performing arts facility?
- How could a theater project **connect to a new branch library?**
- What are the **operational and financial implications**?

To address these questions AMS engaged in a process of community-based inquiry and discussion, market analysis, and needs assessment for the arts facility. Both qualitative and quantitative inputs where gathered and analyzed and summarized in this executive summary and attached appendices.

Market Analysis

AMS conducted a market analysis of the demographic and psychographic characteristics within a Primary Market (the City of Elk Grove) and a surrounding Custom Market (defined as a 30-mile area surrounding the City). The analysis was conducted to determine potential demand for arts and culture programs and provide insights into potential consumer behavior segmentation with regard to performing arts attendance.

The analysis compares the demographic characteristics and consumer behaviors of each market area against the urban core area of the Sacramento region and the State of California as a whole.

Figure 1 *Primary and Custom Market Areas*

Overall, this area has very strong market potential for arts and cultural participation. The market analysis revealed several findings:

The market population is growing, well-educated, relatively wealthy and diverse, which suggests strong market potential. The Primary Market area has an estimated 5-year population growth of over 8%, a median household income of $84,000, and 46% of the population has attained at least one postsecondary degree. These factors, all key indicators of arts attendance, exceed estimates for both the Sacramento Region and the State of California.

Analysis of lifestyle and consumer behavior is based on the Claritas PRIZM Premier market segmentation system to categorize the households in the Primary market based on demographic profiles and consumer research into psychographic and consumption patterns. ***The Primary Market is dominated by highly educated and affluent consumer segments***; the two most dominant segments in the Primary Market, accounting for 38% of households, are upper-middle class or more affluent and enjoy their urban environment.

An analysis of potential demand for arts programs and activities in this area shows a market ripe for arts and cultural participation.

Households in the market area index strongly for participation in arts and culture activities, relative to a national average. In the Primary Market, over a third of households are likely to attend live theatre, visit an art museum, or attend a paid music concert in a single year.

While Primary Market segments who most likely enjoy a leisure-intensive lifestyle tend to be older and without children, nearly half of Primary Market households have children under the age of 18. This fact highlights the need for programs aimed at families and youth. The racial and ethnic diversity in the market also suggest the importance of featuring a wide variety of artistic disciplines and cultures in programming.

A market analysis report is included as an appendix to this executive summary.

Environmental Scan

AMS conducted a scan of arts and cultural assets in the region, creating an inventory of local and regional venues used by performing arts organizations, including community event spaces. The inventory captured trends regarding venue characteristics, arts activity and organizations in the market, and common operating structures of 110 spaces across 50 venues.

While there are several spaces available to rent in the Elk Grove area, most are multi-purpose, church, hotel, sports or convention spaces. Theatres and other performance spaces available for rent in the market are primarily associated with local schools or are venues with smaller capacities. Current users of these spaces include several local arts organizations that present and produce work or offer educational programs with culminating performances.

Spaces exist in the market across a large range of capacities (from less than 50 to over 1,700 seats), but most facilities are not managed by arts and cultural organizations, or entities that exist to support arts and cultural development in the City. This raises issues regarding:

- Calendar access and date availability (are the spaces available for arts organizations or are dates limited by other activity?);
- Booking policies and rates (is the cost to use these spaces prohibitive for artists and arts organizations?);
- Types of activity supported (is the facility equipped to accommodate arts activities, i.e. dance flooring, sound and lighting equipment, fly systems, etc.);
- Patron or user experience (what is the level of finish in the space, how flexible is the space for different users?)

This scan of venues in the region finds that Elk Grove arts organizations have limited facilities available to them, and those that are offer somewhat limited availability and, in many cases, are not ideally equipped to offer a high caliber experience to both audience and performer.

Stakeholder Interviews and Community Meetings

To obtain qualitative input AMS conducted more than twenty interviews of elected officials, community leaders, community group representatives, and various other leaders to gage community support for a new venue, understand community perceptions regarding the need and aspirations for a facility, and obtain detailed information on the needs of potential users of a new venue. A list of interviewees can be found as an appendix to this report.

In addition to interviews, AMS participated in a community meeting held by the Friends of the Library and a meeting of the Elk Grove Arts Commission.

General themes from these interviews and meetings include:

- There is vague knowledge of the project as part of the Civic Center plans, but there is a perception that community support, including from the City Council exists for a new performing arts facility;
- There is a perceived need for a new facility and recognition that area spaces cannot accommodate performing arts activity

adequately due to facility characteristics, costs, or date availability;
- Elk Grove is seen as a family-oriented and sports-focused City, but there is a strong belief that the arts should also be part of the City's brand and identity

Feedback from the community, the working group, and Arts Commission input identified aspirations for the new venue and a definition of success for the project was established. The new venue will be:

- A creative outlet for providing arts exposure for all residents
- A place that supports local arts organizations and artists
- An accessible and active, "happening place" for families

Artists and arts organizations expressed a desire for the new facility to:

- Identify resident companies and/or partners
- Promote access to the calendar and space(s) for community users, especially cultural arts organizations

Access was a major theme of community feedback and demonstrated a commitment to inclusivity and diversity in both uses of the facility and users of the facility. The community also wants the facility to be an active, welcoming place for the public, and accommodating to users in a range of creative disciplines – offered by both local and touring artists, and to link cultural activity with learning, recreation, and other City priorities.

User Needs Survey

AMS administered an online survey to area performing arts organizations and other potential users of a new facility. The Elk Grove Arts Commission, Sacramento Area Regional Theatre Association (SARTA) and Sacramento Metropolitan Arts Commission (SMAC) assisted in the distribution of the survey.

The survey received 24 responses.[2] Respondents were mostly performing arts organizations, including theatre and dance companies, community choruses, chamber societies, and festivals; other responses included organizations with significant arts education offerings, advocacy initiatives, or visual arts programming. Key findings from survey responses show the following:

- 95% of respondents are at least *somewhat likely* and 64% are *very likely* to use a new performance venue in Elk Grove if it meets their needs;
- There is demand for a fixed proscenium stage with some flexibility and ample support and storage space
- The most common ticket price charged by the responding performing arts groups is less than $30, and most potential users will seek rental rates comparable to those at existing venues.

Combining feedback from stakeholders with survey results indicate the need for a performing arts facility with the following: ***a 300-500 seat space with fixed seating***; additional spaces to support back of house and technical needs (like green room, dressing rooms, and storage), rehearsals, or tandem programming; efficient backstage circulation and current equipment to support production activities. An outdoor performance space and on-site kitchen for food preparation are viewed as desirable, though secondary to spaces described above.

Common concerns include parking and accessibility by public or shared transit (especially if the venue is library-adjacent). Some feedback regarding the need for signage on the site and around town was mentioned. Ultimately, while there is some appetite for a larger capacity performance space, a majority of anticipated use would be best accommodated by a venue with between 300 and 500 seats.

[2] Of 24 responses, 21 were complete and three were partial responses.

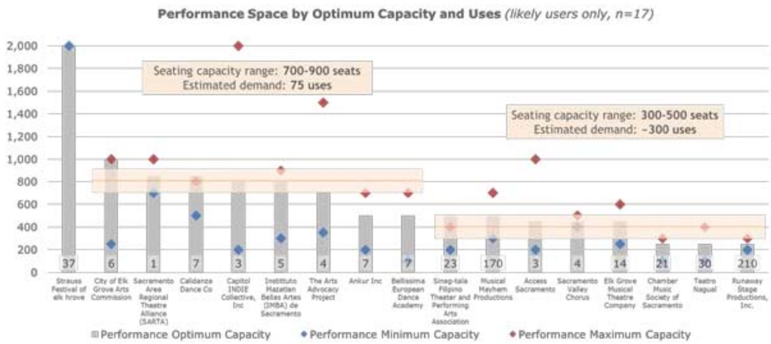


Figure 2 *Capacity needs and estimated demand of those likely to use a new performance space; highest demand for space with 300-500 seats.*

A presentation of the user needs survey is provided as an appendix to this summary.

Comparative Venues

Much can be learned from examining the organizational structure, operations and programming of similar performing arts facilities. AMS identified six performing arts venues in communities with successful facilities similar to the facility proposed in the City of Elk Grove, and studied these venues to illustrate potential models and provide insights regarding best practices. The venues for comparative analysis were identified based on factors including market, programming, facility utilization, operating structure, finances, marketing efforts, and community partnerships. These venues include:

- Village Theatre in Everett, WA
- Vacaville Performing Arts Theater in Vacaville, CA
- Lewis Family Playhouse in Rancho Cucamonga, CA
- Firehouse Arts Center in Pleasanton, CA
- Kirkland Performance Center in Kirkland, WA
- Parker Arts, located in Parker, CO

Each of the comparable venues is operated through a specific model, whether city owned and operated, city-built and managed through a contract with a not-for-profit, distinct management company, or other partnership. Each venue has a unique mixture of presented and/or produced content, resident company activities, community rentals, and educational programs. Educational programs (mostly for youth) tend to be curated by the venue or through a partnership, and often include matinee performances or field trips, workshops with performing artists, and learn-on-the job opportunities.

Figure 3 *Left: Firehouse Arts Center (200 seats); Right: Lewis Family Playhouse (535 seats)*

As the mix and level of activity in each venue differs, so do the financial implications of that activity. Some provide discounted rates or subsidies for use of the facility by local artists and arts organizations, including support staff or use of equipment to support productions. Some of the facilities also administer ticketing and assist users with marketing. A few of these venues have formed partnerships with not-for-profits or established fundraising "friends of" groups to assist in raising contributions to support programming.

Each of these performing arts facilities receive some public support such as funding for ongoing operations, direct building and grounds maintenance, staff salaries, equipment purchase, or maintenance and replacement. The level of support provided to each venue depends on the community, its resources, and how resources are allocated.

Phase 2 – Project Definition

Activity Profile

An activity profile supports a framework for decision-making about the operational structure, design, and capacity of the proposed performing arts facility. It is developed from the data obtained through the environmental scan and inventory, user needs survey, interviews, market analysis, comparables, and other research, and is guided by the definition of success. The priorities of making the facility a place which supports local arts organizations and artists while providing a creative outlet and exposure to the arts for all residents each deeply influence the balance of activity that might take place in a new performing arts facility in Elk Grove.

Based on performances and other activities which currently exist in the market, organizations likely to use a new facility, and the desire for some level of touring artists, a draft activity profile for the City of Elk Grove includes upwards of 240-250 use days. This activity is likely dominated by theatre, music, and dance for youth and the broad community, but also includes activities by culturally-specific organizations, the library system, community renters, and a small series of presented activity.

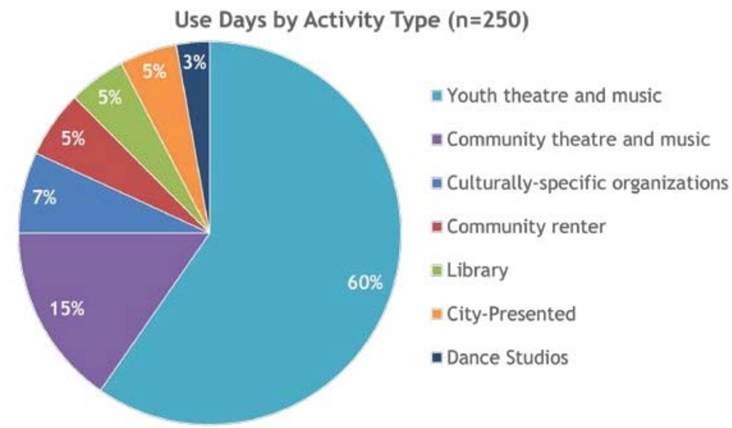


Figure 4 *Draft activity profile by types of activity; based on 250 annual use days*

Operating Recommendations and Financial Model

Based on Phase 1 findings and input from the working group, AMS developed recommendations regarding the most appropriate operating model (and resulting financial forecast) for a new performing arts facility in the City of Elk Grove to support the anticipated activity profile. The degree of access provided to users, control of programmatic content (and associated risks), as well as operational capacity each affect the operating model. To that end, AMS has assumed the following in developing an operating model and financial forecast:

- The City will own the facility and *either* operate the facility *or* develop a contract with an external operator of the performing arts facility;[3]
- The facility is will be in the range of 25,000 square feet with a primary performance space of 400 seats; building operations

[3] AMS developed an operating forecast with the assumption that the City would operate the facility; while an external contract would influence specific elements of the forecast, it is likely the bottom line would be comparable.

(including utilities and maintenance) is assumed at $8.75 per square foot

- Activity will include over 240-250 event days, comprised of presented events by touring artists, commercial renters, not-for-profit renters, and activities by at least one partner or resident organization
- The facility will be supported by four full time staff and additional part-time or contract staff as required for activity

The financial forecast is for the third full operating year, which is considered the base stable year of operation. The operating budget includes expenses associated with season programming and theatre operations, administrative costs, building operations, and personnel. Earned revenues include revenues from ticket sales, ticket fees, rental fee revenues and chargeback revenues (which include the use of equipment and personnel for rental activity).

Figure 5 *Summary financial results, showing cost recovery expected*

Based on the above assumptions, a new performing arts facility will have an operating budget of approximately $877,000 (including a 5% expense contingency), with earned operating revenues of $570,000. This represents a cost recovery model of 65%, the balance of which will require public or private support.[4] The full operating forecast is attached as an appendix to this executive summary report.

City of Elk Grove	
Schedule 2: Summary Pro Forma	
Operating Overview	**Base Year**
Earned Revenues	
Ticket Sales	$124,000
Ticket Fees	$94,000
Facility Rentals	$183,000
Rental Additions/Chargebacks (gross)	$169,000
Total Earned Revenues	**$570,000**
Operating Expenses	
Season Programming	$143,000
Theatre Operations	$120,000
Administrative	$39,000
Building Operations	$218,000
Compensation (FTE personnel)	$315,000
Expense Contingency	$42,000
Total Operating Expenses	**$877,000**
Operating Result Before Contributions + Subsidy	**($307,000)**

Figure 6 *Summary financial results before contributions or other support*

[4] Financial projections are in 2018 dollars; no escalation has been modeled. Furthermore, while there may be some efficiencies with co-locating a library with a performing arts venue, the model does not assume any financial efficiencies.

Conclusion

Based on this study's findings, a successful performing arts facility in Elk Grove will serve the community as a place that supports local arts organizations and artists, serves as a creative outlet providing exposure to arts experiences for City and regional residents, and hosts a number of family-oriented programs.

Furthermore, the proposed 300-500 seat performing arts facility presents a unique opportunity to enhance Elk Grove's identity as a "place" and further develop its citizens' appreciation of the City as the best place to live, work, and play in the region. Investing in this cultural amenity will offer returns in both monetary and non-monetary ways by deepening citizens' sense of pride in the City and the economic ripple effect arts activities create by capturing entertainment dollars within the City.

In a market characterized by an affluent, quickly-growing population with high household incomes complemented by affordable housing values, high educational attainment and racial diversity, the market has strong potential for arts consumption and overall support for a new performing arts venue.

Appendix

The following documents are included as attachments to this report:

- Appendix A: Market Analysis Report
- Appendix B: List of Interviewees
- Appendix C: Additional User Needs Survey Slides
- Appendix D: Pro Forma Model

for the Arts and
Entertainment
Industries

APPENDIX A

Elk Grove Cultural Arts Facilities Plan

Market Analysis Report

February 2018

AMS Planning & Research Corp.

Contents

Introduction

This report was prepared for the City of Elk Grove as part of a Library Services and Cultural & Arts Facilities Planning effort. It is intended to explore the current market and to aid in understanding the demand potential for arts programs and activities in this area.

Part I: "Market Definition and Market Area Demographics" looks at the broader demographics of the population in the Primary and Custom Market Areas for Elk Grove and compares it to regional and state data.

Part II: "Consumer Segmentation" uses the Claritas PRIZM Premier market segmentation system to categorize the households in the Primary market based on demographic profiles and consumer research into psychographic and consumption patterns.

Part III: "Consumer Insights" uses national consumer research data to identify the level of households in the Primary Market with an above-average potential to attend events and activities in Elk Grove compare to the national average.

Key Findings

Overall, this area has very strong market potential for arts and cultural participation. The market analysis revealed several findings:

A growing, well-educated, relatively wealthy and diverse marketplace suggests strong market potential. The Primary Market area has an estimated 5-year population growth of over 8%, a median household income of $84,000, and 46% of the population has attained at least one postsecondary degree. These factors, all key indicators of arts attendance, exceed estimates for both the Sacramento Region and the State of California.

The Primary Market is dominated highly educated and affluent consumer segments. The two most dominant segments in the Primary Market, accounting for 38% of households, are known as "American Dreams" and "Young Digerati." As described by Claritas Prizm Premier Segmentation, these consumer segments are upper-middle class or more affluent and enjoy their urban environment.

Households in the market area index strongly for participation in arts and culture activities, relative to a national average. In the Primary Market, over a third of households are likely to attend live theatre, visit an art museum, or attend a paid music concert in a single year.

I. Market Definition and Market Area Demographics

Market Definition

The market analysis was undertaken using the City of Elk Grove as the Primary Market Area. Data from the U.S. Census Bureau and Claritas provides a picture of the demographics of the Primary Market Area, compared against regional and state data. For comparative purposes, data for the Custom Market Area was also reviewed.

Elk Grove Primary and Custom Market Areas

Primary Market Area (orange area on the map): The Primary Market Area is the City of Elk Grove. A primary market is where an organization would expect to find 75-85% of its customers.

Custom Market Area (green area on the map): 24 contiguous ZIP Codes are included within the Custom Market, which extends north to Florin Road and south to Lodi. The Custom Market (which includes the Primary Market), would typically contain over 90% of an organization's customers.

Market Area Demographics

The 2017 population in the Primary Market is estimated to be 177,500. Over the next five years, it will grow at a rate of 8.2%, a growth rate nearly double the State rate of 4.7%.

The number of Primary Market households is estimated to be 53,000, and nearly half (49.3%) of these households have people under the age of 18, a percentage which is higher than in the Custom Market, Region, and State.

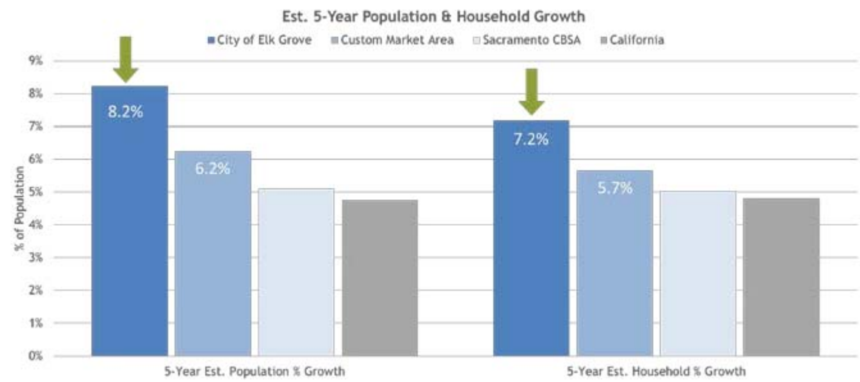
The median household income in the Primary Market is an estimated $83,800. This is notably higher than the Custom Market, Region and State median incomes, all below $70,000. Data indicates that individuals in the Primary Market are more likely to have household incomes between $100,000 and $250,000 than the Custom Market, Region and State.

The Primary Market has high educational attainment; an estimated 46.1% of the population aged 25 or older has earned a postsecondary degree, higher than the Custom Market, Region, and State. The Primary Market is also more racially diverse than benchmark areas considered, with a majority-minority population.

	City of Elk Grove		Custom Market Area		Sacramento CBSA	California
Population						
2017 Estimate	177,481		511,914		2,307,187	39,691,194
2022 Projection	192,071		543,878		2,424,806	41,574,271
5-Year Est. Population % Growth	*8.2%*		*6.2%*		*5.1%*	*4.7%*
Households & Families						
2017 Household Estimate	52,994		157,971		841,118	13,384,483
2022 Household Projection	56,802		166,906		883,437	14,026,477
5-Year Est. Household % Growth	*7.2%*		*5.7%*		*5.0%*	*4.8%*
Households with People < 18	26,149	49.3%	71,748	45.4%	35.5%	37.5%
Population by Age						
Under 5	11,733	6.6%	36,063	7.0%	6.1%	6.4%
5 - 17	34,627	19.5%	99,212	19.4%	17.1%	16.9%
18 - 24	18,445	10.4%	52,176	10.2%	9.9%	9.8%
25 - 44	45,882	25.9%	133,959	26.2%	26.4%	27.9%
45 - 64	47,487	26.8%	126,973	24.8%	25.7%	25.2%
65 and Over	19,307	10.9%	63,531	12.4%	14.9%	13.7%
2017 Est. Average Age	36.4		36.5		38.7	38.0
2017 Est. Median Age	35.6		34.8		37.5	36.7
Population (Age 25+) by Education Attainment						
Bachelor's Degree	27,566	24.5%	54,229	16.7%	19.9%	19.7%
Master's Degree or Higher	11,040	9.8%	21,993	6.8%	11.0%	11.5%
Household Income						
2017 Est. Average Household Income	$103,835		$82,725		$87,046	$95,671
2017 Est. Median Household Income	$83,818		$62,777		$63,727	$66,091
Population Hispanic or Latino by Origin						
Hispanic or Latino	33,093	18.7%	143,361	28.0%	21.7%	39.3%
Population Race Class						
White	72,253	40.7%	225,469	44.0%	62.1%	55.3%
Black or African American	21,837	12.3%	55,304	10.8%	7.3%	5.9%
Amer. Indian and Alaska Native	1,136	0.6%	4,389	0.9%	1.0%	1.0%
Asian	52,719	29.7%	116,104	22.7%	13.2%	14.4%
Native Hawaiian and Other Pac. Isl.	2,544	1.4%	7,811	1.5%	0.8%	0.4%
Some Other Race	26,992	15.2%	102,837	20.1%	15.5%	23.0%

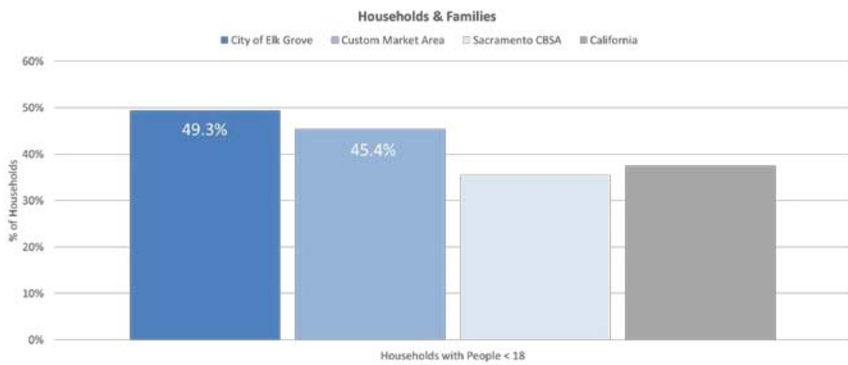
Demographic Snapshot: Primary and Custom Market Areas, Region, and State

Demographic Details



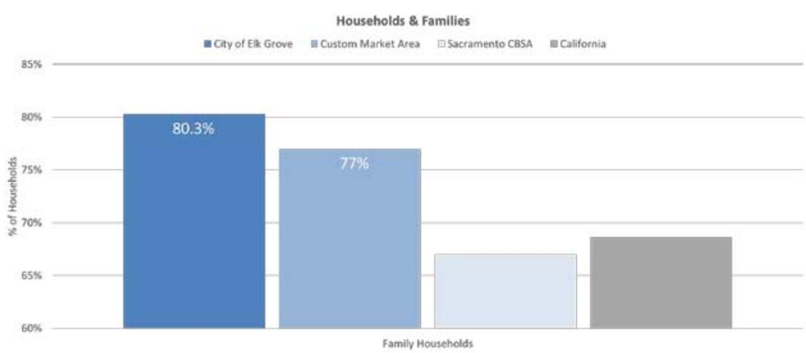
The estimated rate of population and household growth in the Primary Market is expected to be higher than the Region and State.

Between 2017 and 2022, growth of 8.2% is expected in the Primary Market population, and 6.2% is expected in the Custom Market. The anticipated growth rate in the Primary Market population is 60% higher than the Region, and 70% higher than the State. The number of households in the Primary Market is expected to grow by 7.2% over the next five years.



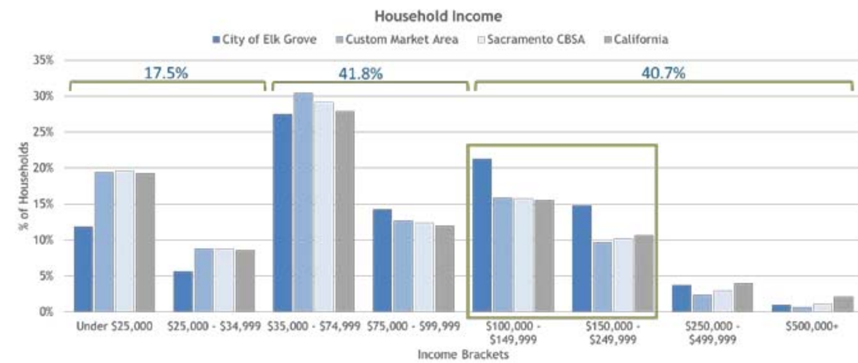
Nearly half of Primary Market households (49.3%) have children, higher than the Custom Market and benchmarks.

The Primary and Custom Market areas index higher than the Region which has 35.5% of households with children.



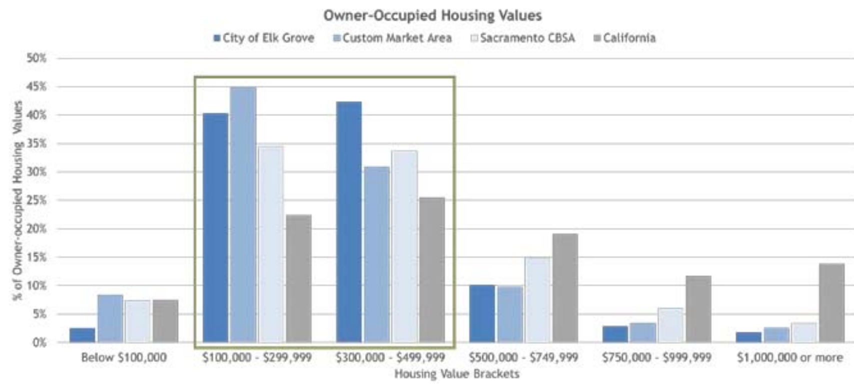
Furthermore, four out of every five Primary Market households (80.3%) are considered family households.

Family households are those with one or more persons related by birth, marriage, or adoption (a nonfamily household include nonrelatives like roommates).



The Primary Market has a higher proportion of upper income brackets compared to the Custom Market which is more consistent with Region and State figures.

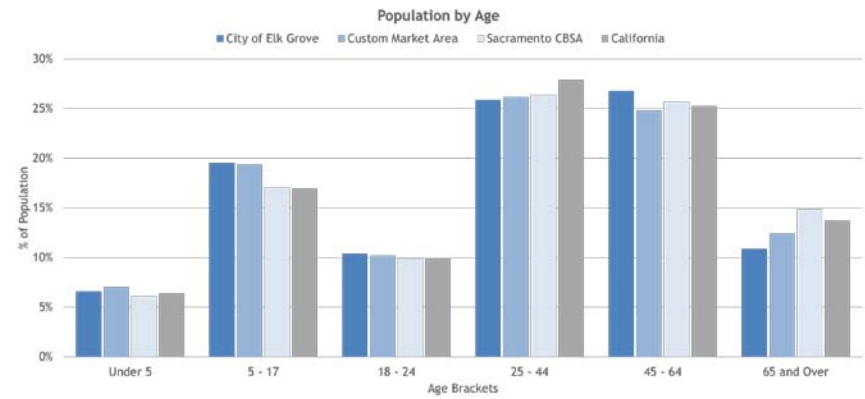
40.7% of households in the Primary Market have incomes over $100,000, and the median household income is $83,800. Furthermore, less than 10% of families in the Primary Market live below poverty and fewer than 20% of households have incomes less than $35,000, each indexing much lower than the Custom Market, Region, and State.



Housing values in the Primary Market are lower than Region and State figures, with an estimate median housing value of $328,000 in 2017.

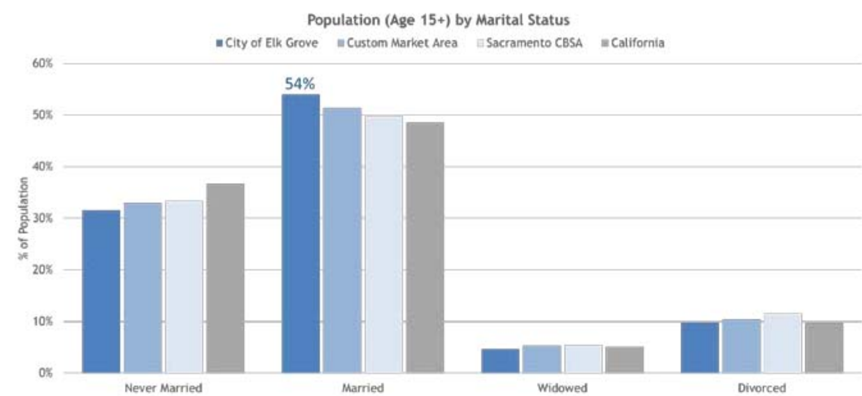
82.7% of houses in the Primary Market are valued between $100,000 and $500,000. This percentage is significantly higher than the 47.9% found within the State, where housing values are more evenly distributed.

In the Custom Market Area, 75.8% of houses are valued between $100,000 and $500,000, and the median owner-occupied housing value is $288,000.



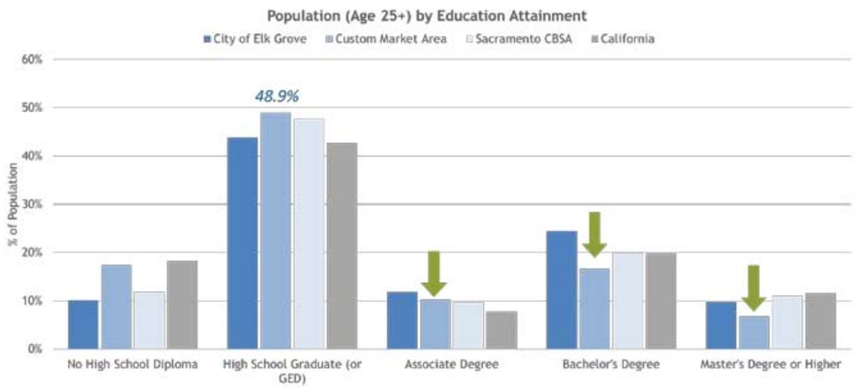
The median age for the Primary Market is 36, slightly younger than the Region (38) and State (37).

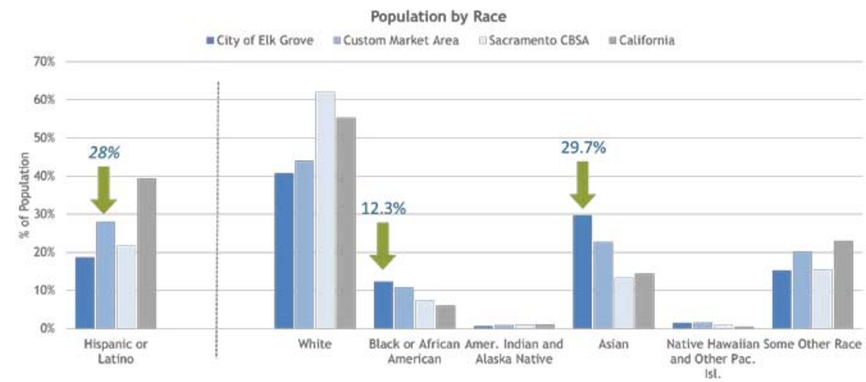
The Primary Market indexes younger than the Custom Market, Region, and State with only 10.9% of the population over the age of 65.



Marital status of the Primary Market population is consistent with the Region and State.

A majority (54%) of the Primary Market (age 15+) is married.





The Primary Market is more educated than benchmark populations, with a higher percentage of residents having attained a postsecondary degree.

46.1% of the Primary Market population (age 25+) has attained a postsecondary degree, compared to 33.7% of the Custom Market, 40.7% of the Region, and 39.1% of the State.

69.3% of the Primary Market population (age 16+) holds an occupation classified as "White Collar," compared to 58.3% in the Custom Market, 64.6% in the Region, and 60.9% in the State.

There is a majority non-white population in the Primary Market, largely identifying as Asian, Black or African American, or Some Other Race (which includes those with two or more races).

In the Primary Market, 57.2% of the population identifies as Asian, Black or African American, or Some Other Race, in comparison with 36.1% in the Region where 62.1% of the population identifies as white.

18.7% of the Primary Market population identifies as Hispanic or Latino.

II. Consumer Segmentation

Market Segmentation

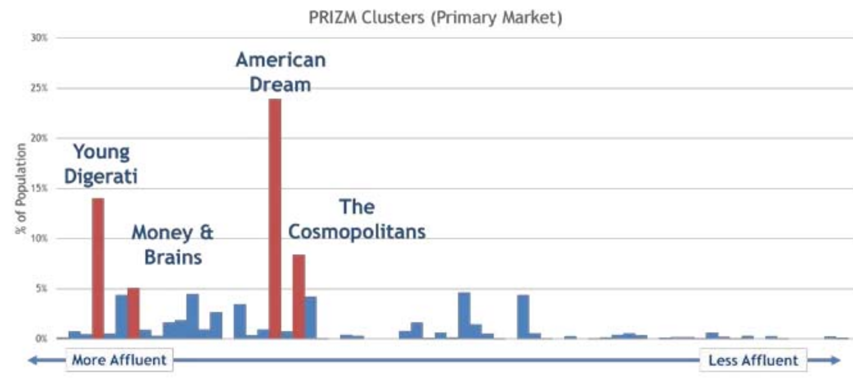
In order to understand lifestyle behaviors of the Elk Grove market, AMS used the PRIZM Premier market segmentation system, developed by Claritas, to categorize the households in the Primary and Custom Markets based on demographic profiles and consumer research into psychographic and consumption patterns.

The PRIZM Premier market profiling and segmentation system is a micro-geographic consumer targeting system that segments every household in the United States into one of 68 unique clusters based on similar demographic and behavioral attributes. The clusters are numbered from 1 to 68 in order of socioeconomic affluence, taking into account factors including income, assets, age, occupation, technology usage, and family structure.

Primary Market Segmentation

The top four ranked clusters for the Primary Market, comprising 51% of the Market, are as follows:

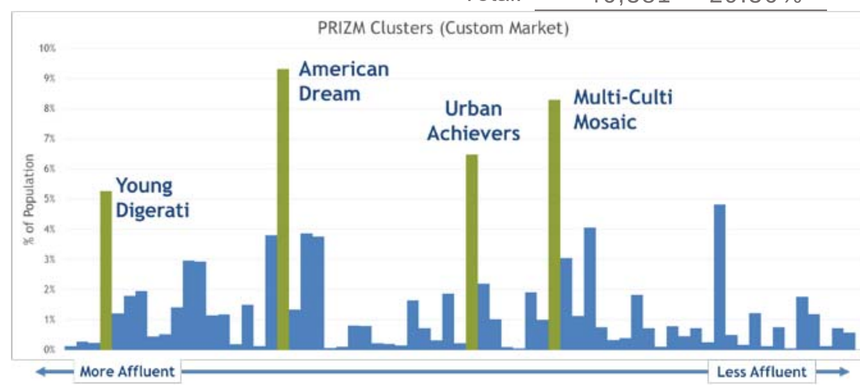
Rank	Segment	Segment Title	# of HH	% Comp.
1	19	American Dreams	12,675	23.92%
2	04	Young Digerati	7,438	14.04%
3	21	The Cosmopolitans	4,437	8.37%
4	07	Money & Brains	2,693	5.08%
		Total:	27,243	51.41%



Custom Market Segmentation

The most prominent segments of the Primary Market are also found in the Custom Market Area. Combined with two other segments of more modest means, four segments comprise 29% of the Market:

Rank	Segment	Segment Title	# of HH	% Comp.
1	19	American Dreams	14,726	9.32%
2	42	Multi-Culti Mosaic	13,107	8.30%
3	35	Urban Achievers	10,229	6.48%
4	04	Young Digerati	8,319	5.27%
		Total:	46,381	29.36%



The following are descriptions of the top four segments in the **Primary Market**.[1]

"American Dreams" households comprise 24% of Primary Market and 9% of the Custom Market; this segment is notably 7.4 times more concentrated in the Primary Market than in the US.

American Dreams residents are found in upper-middle-class multilingual neighborhoods in urban areas. They are heavy grocery and convenience store shoppers, opting to prepare meals at home more than their urban counterparts in other segments.

"Young Digerati" households comprise 14% of the Primary Market and 5% of the Custom Market; this segment is 2.7 times more concentrated in the Primary Market than in the US.

Young Digerati are tech-savvy and live in fashionable neighborhoods on the urban fringe. Affluent, highly educated, and ethnically mixed, Young Digerati communities are typically filled with trendy apartments and condos, fitness clubs and clothing boutiques, casual restaurants and all types of bars--from juice to coffee to microbrew.

"The Cosmopolitans" households comprise 8.4% of the Primary Market and are 4.2 times more concentrated in the Primary Market than in the US.

Educated and upscale, The Cosmopolitans are urbane couples in America's fast-growing cities. Concentrated in major metro areas, these households feature older homeowners without children. A vibrant social scene surrounds their older homes and apartments, and residents love the nightlife and enjoy leisure-intensive lifestyles.

"Money & Brains" households comprise 5.1% of the Primary Market and are slightly less concentrated in the Primary Market than in the US.

The residents of Money & Brains seem to have it all: high incomes, advanced degrees, and sophisticated tastes to match their credentials. Many of these city dwellers are married couples with few children who live in fashionable homes on small, manicured lots.

The following are descriptions of the top additional segments prominent in the **Custom Market**:

"Multi-Culti Mosaic" households comprise 8.3% of the Custom Market and are equally as concentrated in this area as in the US.

An immigrant gateway community, Multi-Culti Mosaic is the urban home for a mixed populace of Hispanic, Asian, and African-American singles and families. This segment is characterized by many first-generation Americans who are striving to improve their economic status.

"Urban Achievers" households comprise 6.5% of Custom Market and are 1.4 times more concentrated in this area than in the US.

Urban Achievers are midscale, middle aged, ethnically diverse homeowners in urban neighborhoods with established careers. They are active participants in their communities and strong supporters of their local professional sports teams.

[1] Complete descriptions of PRIZM Premier clusters can be found at: https://segmentationsolutions.nielsen.com/mybestsegments

III. Consumer Insights

AMS uses Claritas PRIZM Premier to analyze market area attitudes, product and brand preferences, media consumption habits and demographic and lifestyle characteristics.

Affinities

To better understand the market area's product and service preferences, PRIZM Premier profiles are indexed against the profiles of consumers of products and services in categories such as Television Viewership, Radio Media Usage, Sports & Leisure Activities, Travel, and Psychographic profiles.

The table below indicates how much more likely households in the market area are to participate in each interest, behavior, or activity in comparison to the national average. Lifestyle attributes with an index of more than 100 (average United States household = 100) indicate that households within the market area are more likely to possess an attributed compared to the average US household profile.

This report focuses on affinities related to arts, cultural, and entertainment consumption. Residents of the Primary Market area are somewhat more or less likely than the national average to attend arts and culture related events as detailed below:

Lifestyle Attributes (National Average = 100)	INDEX Primary Market	INDEX Custom Market
In the last year. . .		
Listen to Jazz Radio	201	154
Buy Cultural Event Tickets on the Internet	169	120
Listen to Classical Radio	162	120
Listen to Public Radio	160	120
Contribute to Arts/Cultural Organizations	153	112
Buy Movie Tickets on the Internet	148	120
Attend a Symphony or Opera Performance	142	110
Visit an Art Museum	141	114
Attend a Rock Concert	140	112
Attend Live Theater	136	109
Attend a Dance or Ballet Performance	134	108
Attend a Comedy Club	133	117
Attend Paid Music Concert	126	108
Attend the Zoo	119	112
Attend an R&B/Rap/Hip-Hop Concert	115	122
Do Photography	114	102
Attend the Circus	101	113
Attend a Country Music Concert	91	84

Participation

Within the Primary Market itself, the PRIZM Premier profiles can be used to estimate the percentage of households that will participated in these arts, culture, and entertainment activities. In the Primary Market Area:

- An estimated 51% of households are inclined to attend live theatre at least once during a single year.
- An estimated 38% of households are inclined to attend an art museum at least once during a single year.

- An estimated 35% of households are inclined to attend a paid ticketed music concert at least once during a single year.
- An estimated 17% of households are inclined to attend a dance or ballet performance at least once during a single year.
- An estimated 13% of households are inclined to contribute to an arts/cultural organization at least once during a single year.

In the Custom Market Area:

- An estimated 41% of households are inclined to attend live theatre at least once during a single year.
- An estimated 31% of households are inclined to attend an art museum at least once during a single year.
- An estimated 30% of households are inclined to attend a paid ticketed music concert at least once during a single year.
- An estimated 13% of households are inclined to attend a dance or ballet performance at least once during a single year.
- An estimated 9% of households are inclined to contribute to an arts/cultural organization at least once during a single year.

Summary

In the Primary Market, educational attainment and household incomes are higher than the surrounding area, Region, and State. These are key factors which indicate a population more inclined to attend or participate in the arts. Furthermore, the Primary Market is racially diverse and expected to grow at a high rate over the next five years.

While the Primary Market segment most likely to enjoy a leisure-intensive lifestyle tends to older and without children, nearly half of area households have children under the age of 18. A majority of Primary Market households are affluent and likely to attend live theatre in a given year, and over a third will visit an art museum or attend a paid music concert.

Overall, the Primary Market has strong potential for arts consumption across many lifestyle attributes.

PLANNING & RESEARCH
for the Arts and
Entertainment
Industries

City of Elk Grove

Cultural Arts Facility Feasibility Study

AMS participated in a community meeting held by the Friends of the Library and a meeting of the Elk Grove Arts Commission. In addition to these public meetings, the following individuals provided input through stakeholder interviews:

- Bob Baxter, Runaway Stage Productions
- Jason Behrmann, Elk Grove Assistant City Manager
- Steven M. Detrick, Elk Grove City Council
- Laura S. Gill, Former Elk Grove City Manager
- Raymond "Chuckie" Hitchcock, Wilton Rancheria
- Pat Hume, Elk Grove City Council
- Jarrid Keller, Sacramento Public Library Authority
- David Lema, Consultant and Foundation President
- Steve Ly, Elk Grove Mayor
- Nan Mahon, Elk Grove Arts Commission
- Anne-Marie Pringle, Musical Mayhem Productions
- Bryce McDill, Musical Mayhem Productions
- Stephanie Nguyen, Elk Grove City Council
- Angela Perry, Old Town Foundation and Chamber of Commerce
- Elizabeth Pinkerton, Retired Teacher and Town Historian
- Rivkah Sass, Sacramento Public Library Authority
- Louis Silveira, Orthopedics Team Leader and Resource Nurse US Davis
- Darren Suen, Vice Mayor and Elk Grove City Council
- Judy Tafoya, The Arts Advocacy Project (TAAP)

APPENDIX C

User Needs Survey

In the field for four weeks
Distributed through local sources and SARTA, SMAC

24 respondents (**21** complete and **3** partial responses)

- *Analysis for each question was completed on the total responses per question*

CULTURAL ARTS

Respondent **budgets range** from **<$10,000 to over $1M**

Two organizations in Elk Grove have budgets of about $500k, but **most are <$50k**

86% of respondents **rent spaces** to support their activities

79% of respondents are **producing or presenting** organizations

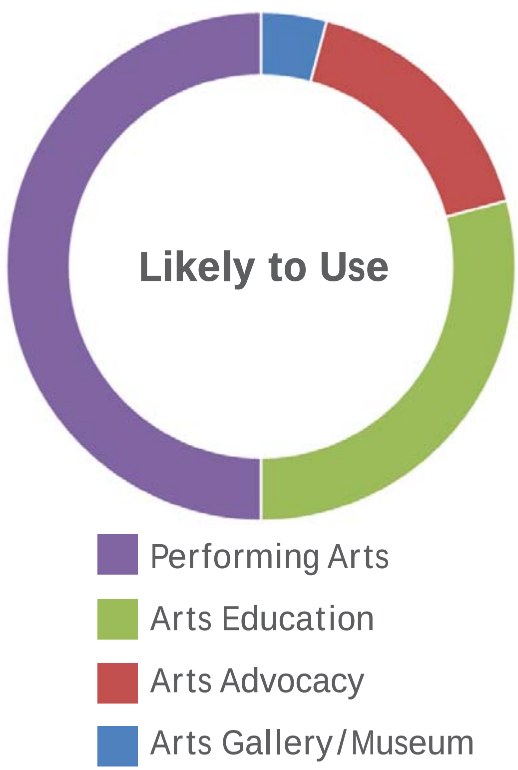
- Over 400 performances and 150,000 attendees
- Over 27,000 participants of instructional offerings

71% of respondents offer **programs in Sacramento** and **50**% offer a majority of their **programs in Elk Grove**

- Many also serve cities north of Elk Grove (Folsom, Davis, Rancho Cordova, and Carmichael)

CULTURAL ARTS

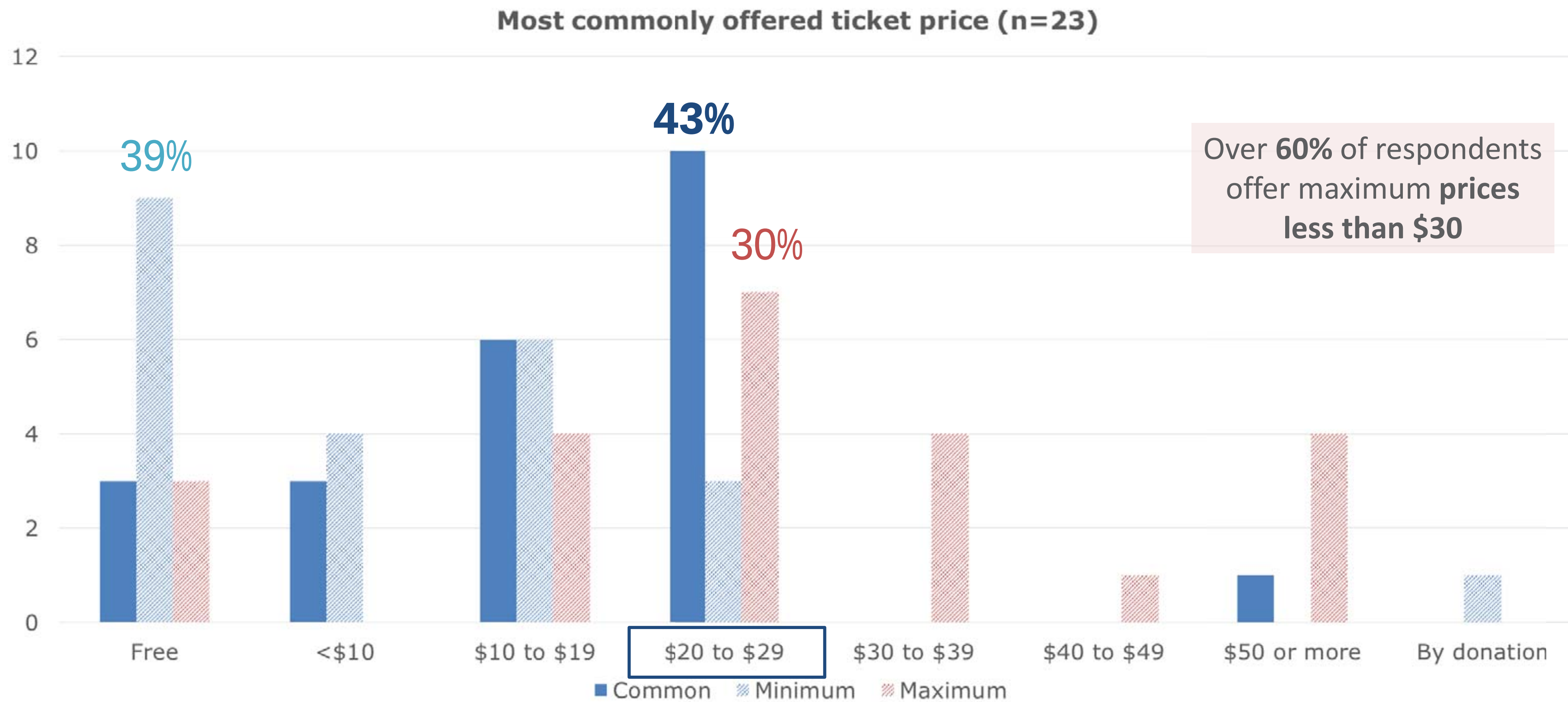
Nearly all **respondents are likely to use a new performance venue** in Elk Grove if the facility meets their needs



95% of respondents are at least somewhat **likely to use** a new performance venue in Elk Grove if it met their needs

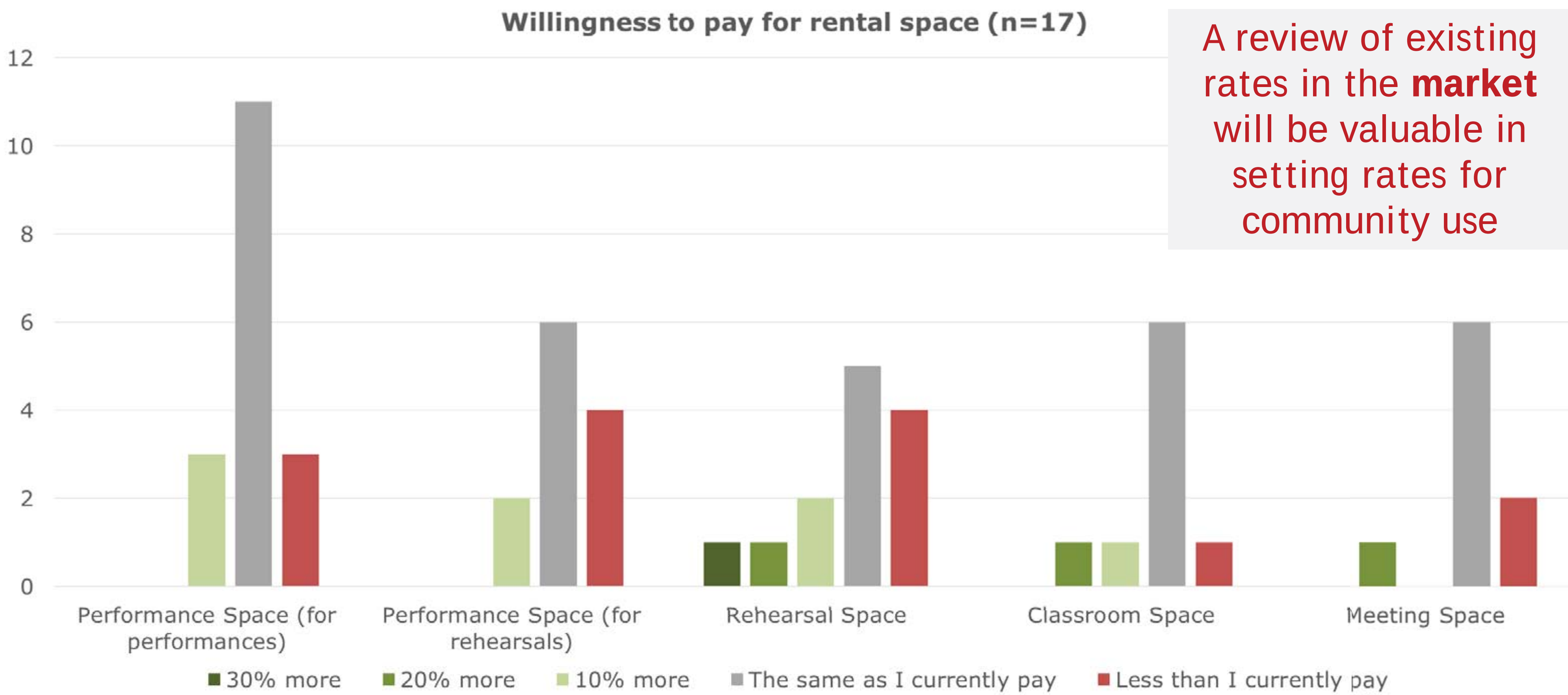
- 64% are very likely to use a new venue (n=22)
- Half of the organizations are **performing arts** organizations, *including theatre and dance companies, community choruses and chamber societies, and festivals*

The most common ticket price offered is between **$20-$29**, and nearly all respondents' most common ticket price is less than $30



CULTURAL ARTS

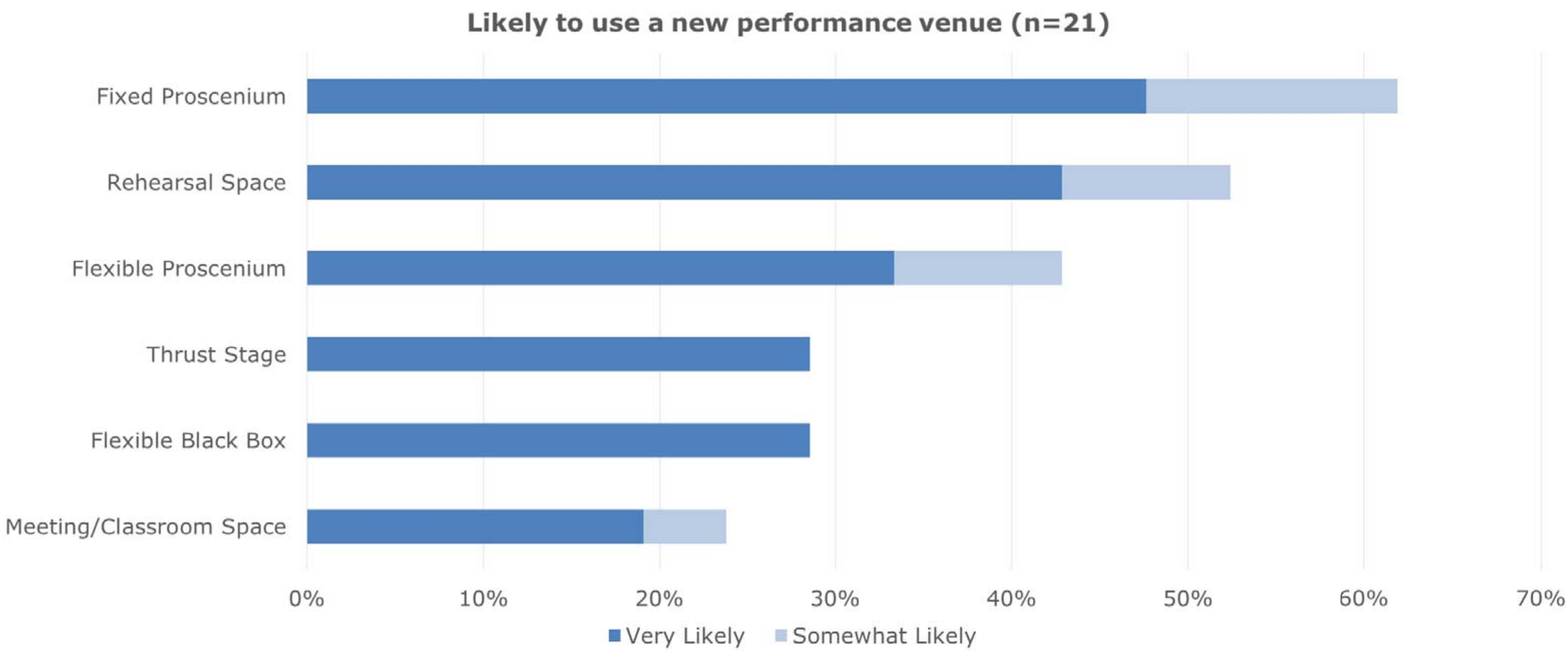
Most respondents will seek rates comparable to existing venues



A review of existing rates in the **market** will be valuable in setting rates for community use

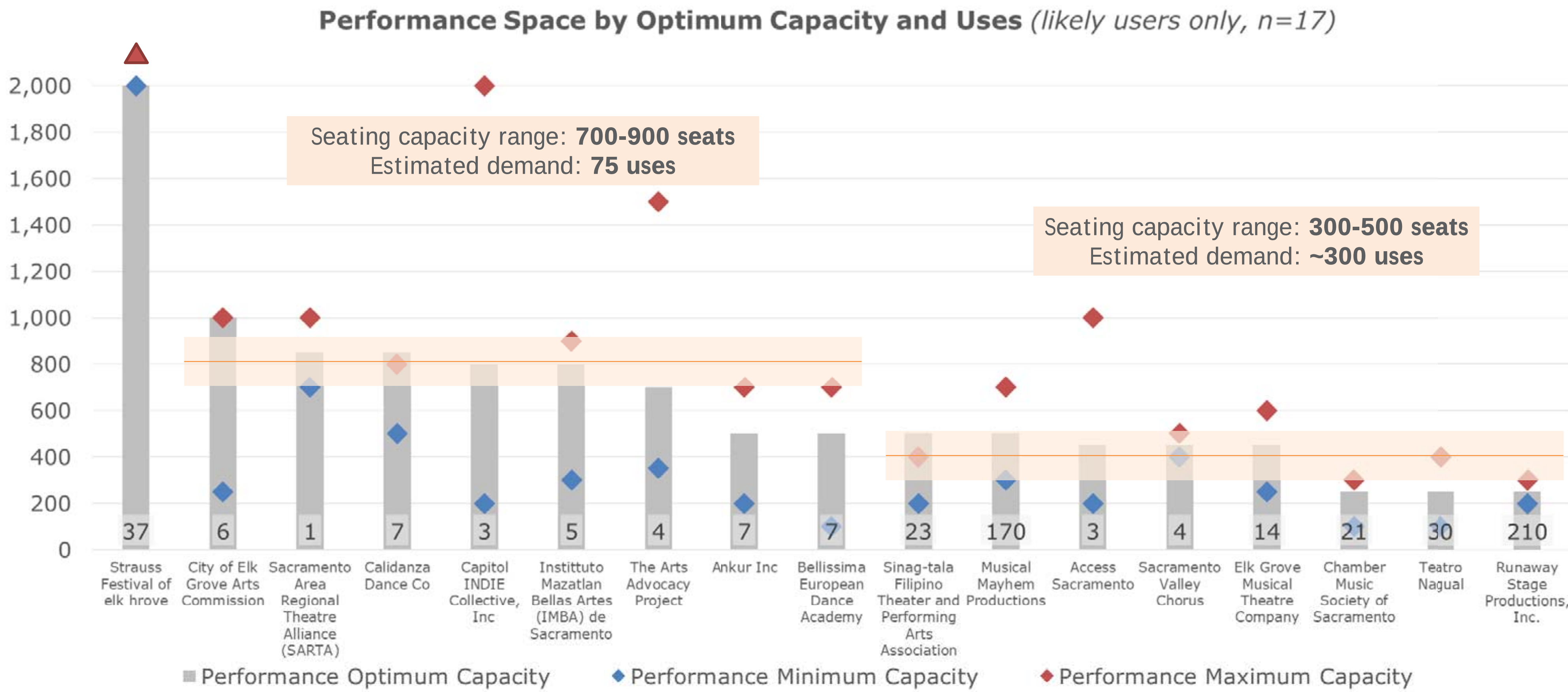
CULTURAL ARTS

A majority of respondents are likely to use a venue with a **fixed proscenium** or a **rehearsal space** in a new facility



CULTURAL ARTS

For those likely to use new performance space, **how many seats** does it need to have?



CULTURAL ARTS

Facility Characteristics

- Capacity suggestions ranged up to 1,000, but **300-500 seats is most common**
- At least a portion of capacity could be **flexible, modular, or removable**

- Additional spaces would **support rehearsals or tandem programming**
- **Supporting spaces, equipment and technologies** are important
  - Green room and dressing spaces
  - Backstage crossover and strategic circulation throughout
  - A kitchen for food prep is desired
- **Outdoor** elements are valued, but considered secondary to interior space

- **Parking** is a consistent concern
- ***Other concerns:***
  - Accessibility via public or shared transit
  - Drive-through patron and book drop off
  - The need for signage on the site and around town

City of Elk Grove

Pro Forma Operating Model

(Base Year = 2018)

Draft July 2018

AMS PLANNING & RESEARCH
for the Arts and Entertainment Industries

City of Elk Grove	
Pro Forma Operating Model	
Contents	**Page #**
Schedule 1: Key Assumptions	3
Schedule 2: Summary Pro Forma	4
Schedule 3: Expense Summary	5
Schedule 4: Presented Season	6
Schedule 5: Ticket Fee Revenues	7
Schedule 6: Rental Rates and Revenues	8
Schedule 7: Chargebacks	9
Schedule 8: Theatre Operations	10
Schedule 9: Administrative Expenses	11
Schedule 10: Building Operations	12
Schedule 11: Staffing and Compensation	13

City of Elk Grove	
Schedule 1: Key Assumptions	
Space Assumptions	
New Venue Capacity	400
Gross Square Footage	25,000
Economic Assumptions	
Taxes Rate (Personnel)	10.4%
Fringe Benefits (Full-Time)	27.0%
Fringe Benefits (Part-Time)	20.0%
Average Ticket Service Fee	$3.00
Operating Contingency (% of Expenses)	5.0%
Pro Forma Assumptions	
Fiscal Year Start	1-Jul
Fiscal Year End	30-Jun
Current Fiscal Year	2018
Base Year	2018

City of Elk Grove	
Schedule 2: Summary Pro Forma	
Operating Overview	**Base Year**
Earned Revenues	
Ticket Sales	$124,000
Ticket Fees	$94,000
Facility Rentals	$183,000
Rental Additions/Chargebacks (gross)	$169,000
Total Earned Revenues	**$570,000**
Operating Expenses	
Season Programming	$143,000
Theatre Operations	$120,000
Administrative	$39,000
Building Operations	$218,000
Compensation (FTE personnel)	$315,000
Expense Contingency	$42,000
Total Operating Expenses	**$877,000**
Operating Result Before Subsidy	**($307,000)**
Contributed Revenues	
Direct City Support	
Contributions, Sponsorships, Grants (etc.)	
Total Contributed Revenues	
Net Operating Result	**TBD**

City of Elk Grove	
Schedule 3: Expense Summary	**Base Year**
Season Programming	
Presented Season	$143,000
Subtotal Season Programming	**$143,000**
Theatre Operations	
Compensation	$137,000
Contract/Hourly Event Staff	$66,000
Box Office and Front of House Ops	$23,000
Equipment, Maintenance, Supplies	$31,000
Subtotal Theatre Operations	**$257,000**
Administrative	
Compensation	$96,000
Professional Fees, Staff Development/Travel	$11,000
Institutional Marketing	$10,000
Office Operations, Supplies, and Equipment	$13,000
Other	$5,000
Subtotal Administrative	**$135,000**
Building Operations	
Compensation	$82,000
Utilities (gas, electric, water, sewer)	$56,000
Insurance and Security	$56,000
Cleaning and Maintenance	$50,000
Annual Capital Improvements	$56,000
Subtotal Building Operations	**$300,000**
Total Operating Expenses	**$835,000**

City of Elk Grove									
Schedule 4: Presented Season	**Base Year**	Avg Ticket Price	Avg % Sold	Avg Paid Attend	Artist Fee (Avg/Perf)	Prod/Mktg (% of Fee)	Forecast Rev (Avg/Typol)	Forecast Exp (Avg/Typol)	Net Contrib (Avg/Typol)
Typology	*Events*	*Basis per Typology*					*Average per Typology*		
Family Activities	1	$15	85%	340	$5,000	25%	$5,100	$6,250	($1,150)
Theatrical Performances	2	$35	85%	340	$10,000	38%	$23,800	$27,600	($3,800)
Music (Classical, Folk, Jazz)	2	$35	80%	320	$10,000	38%	$22,400	$27,600	($5,200)
Dance Concerts	1	$25	75%	300	$10,000	38%	$7,500	$13,800	($6,300)
Music (Popular, Hip-Hop, Rock)	2	$50	90%	360	$12,000	38%	$36,000	$33,120	$2,880
Comedy/Literary	1	$30	80%	320	$8,000	25%	$9,600	$10,000	($400)
Variety/Other (Acrobatics, Circus, Magic)	1	$25	75%	300	$8,000	38%	$7,500	$11,040	($3,540)
Regional Partner (Small)	1	$15	80%	320	$2,500	10%	$4,800	$2,750	$2,050
Regional Partner (Medium)	0	$15	75%	300	$5,000	25%	$0	$0	$0
Regional Partner (Large)	1	$25	75%	300	$8,000	38%	$7,500	$11,040	($3,540)
Summary (totals or *averages*):	**12**	*$31*	*82%*	**3,920**	*$8,792*		**$124,200**	**$143,200**	**($19,000)**

City of Elk Grove								
Schedule 5: Ticket Fee Revenues		Ticket Fee *(Freq %)*	Avg Ticket Price	Avg % Sold	Avg # Sold	Base Year		
						Event Days	Paid Attend	Ticket Fees
Use Type	**Event Type**	**$3.00**						
Market Rate	Performance	100%	$ 25	75%	300	6	1,800	$5,400
Market Rate	Non-performance	0%		50%	200	10	2,000	$0
Market Rate	Load/Rehearsal	0%				3	0	$0
Not-for-Profit Rate	Performance	100%	$ 15	70%	280	28	7,840	$23,520
Not-for-Profit Rate	Non-performance	0%		50%	200	0	0	$0
Not-for-Profit Rate	Load/Rehearsal	0%				52	0	$0
Res Co/Partner Rate	Performance	100%	$ 20	70%	280	64	17,920	$53,760
Res Co/Partner Rate	Non-performance	0%		50%	200	0	0	$0
Res Co/Partner Rate	Load/Rehearsal	0%				78	0	$0
Presented Events	Performance	100%				12	3,920	$11,760
Subtotal Ticket Fees						***253***	***33,480***	***$94,440***

City of Elk Grove						
Schedule 6: Rental Rates and Revenues		Rate Code	Basis (Hrs)	Rental Rate	Event Days	Rental Fees
Use Type	**Event Type**					
Market Rate	Performance	1	4	$1,200	6	$7,200
Market Rate	Non-performance	2	4	$1,200	10	$12,000
Market Rate	Load/Rehearsal	3	4	$800	3	$2,400
Not-for-Profit Rate	Performance	4	4	$1,020	28	$28,560
Not-for-Profit Rate	Non-performance	5	4	$1,020	0	$0
Not-for-Profit Rate	Load/Rehearsal	6	4	$680	52	$35,360
Res Co/Partner Rate	Performance	7	4	$840	64	$53,760
Res Co/Partner Rate	Non-performance	8	4	$840	0	$0
Res Co/Partner Rate	Load/Rehearsal	9	4	$560	78	$43,680
Presented Events	All	10	4	$0	12	$0
Subtotal Rental Fees						**$182,960**

City of Elk Grove						
Schedule 7: Chargebacks	**Base Year**					
GROSS REVENUES	Rates Charged		Average Hours per Event	Average # of Staff per Event	# Event Days	Total
Box Office Set-up Fee	$300		n/a	n/a	82	$24,600
Equipment Rental Fee	$200		n/a	n/a	93	$18,600
Technical Director (pp/hr)	$50		3	1	231	$34,650
Technicians (pp/hr)	$36		4	2	231	$66,528
Security (pp/hr)	$36		4	1	43	$6,120
Custodial (pp/hr)	$32		4	2	73	$18,560
Subtotal, Gross Revenues						**$169,058**
EXPENSES	Rates Charged	% Payroll Costs	Average Hours per Event	Average # of Staff per Event	# Event Days Worked	Total
Technicians (pp/hr)	$20	30%	4	2	231	$48,196
Security (pp/hr)	$20	30%	4	1	43	$4,434
Custodial (pp/hr)	$17	30%	4	2	73	$12,857
Subtotal, Expenses						**$65,487**
NET REVENUES						**$103,571**

City of Elk Grove	
Schedule 8: Theatre Operations	**Base Year**
Theatre Operations	
Contract/Hourly Event Staff (External)	$65,500
Software and Ticketing (annual fee)	$10,000
Box Office Operations	$6,200
Usher Program Expense	$1,500
Misc Front of House (decorations, etc)	$4,800
Equipment and Consumable Supplies	$21,600
Repair and Maintenance (tech equipment)	$9,600
Subtotal Theatre Operations	**$119,200**

City of Elk Grove	
Schedule 9: Administrative Expenses	**Base Year**
Administrative Expenses	
Professional Fees (CPA, Legal, Website, etc.)	$5,000
Professional Dues, Travel, Conferences	$4,100
Professional Development/Recruitment	$2,000
Institutional Marketing	$10,000
Telephone/Internet (headcount basis)	$3,200
Office Operations (Postage, Print/Copy, etc.)	$6,000
Office Equipment/Supplies (headcount basis)	$4,000
Other Admin Expenses	$5,000
Subtotal Administrative Expenses	**$39,300**

City of Elk Grove	
Schedule 10: Building Operations	**Base Year**
Building Operations	
Utilities (Gas, Electric, Water, Sewer)	$56,250
Insurance	$31,250
Security	$25,000
Regular Cleaning & Maintenance	$50,000
Annual Capital Improvements	$56,250
Subtotal Building Operations	**$218,750**

City of Elk Grove						
Schedule 11: Staffing and Compensation						
Title	**Expense Category**	**Base Salary**	**Status**	**% Taxes**	**% Benefits**	**Base Year**
Manager	Administrative	$70,000	FT	10%	27%	$96,180
Technical Specialist	Building Operations	$60,000	FT	10%	27%	$82,440
Patron Services Coordinator	Theatre Operations	$50,000	FT	10%	27%	$68,700
Event Services Coordinator	Theatre Operations	$50,000	FT	10%	27%	$68,700
Subtotal Compensation						**$316,020**