



# Aurora Museum & Cultural Centre Business Plan and Budget

# Interkom Consultation

- 2018: Consultation and Workshop Facilitation with Cultural Partners
- 2019: AMCC Business Plan and Budget
  - Research into current agreements with Cultural Partners
  - Benchmarking and review of other municipal cultural facilities
  - Cultural Partners consultations and Cultural Organizations survey
  - Business Plan preparation for expanded facility
  - Budget preparation

# AMCC Business Plan & Budget

- The Need for Expansion
- Economic Benefits
- Community Support
- Financial Plan
- Operational Considerations

# The Need for Expansion

- Redevelopment of downtown/library square project (EcDev; Cultural Hub)
- Lack of adequate cultural spaces in Aurora (as per Cultural Master Plan (CMP))
- Identified need for professional performing and practice arts spaces (CMP)
- Identified need for proper storage facilities for archives (AM&A)

# Economic Impact

- **Direct impact:** refers to the impact generated in businesses or sectors that produce or provide goods and services directly to visitors, i.e. accommodations, restaurants, recreations, transportation and retail enterprises etc. Direct impact on GDP, employment and tax revenues is also called tourism GDP, tourism employment and tourism tax revenues.
- **Indirect impact:** refers to the impact resulting from the expansion of demand from businesses or sectors directly produce or provide goods and services to visitors, to other businesses or sectors.
- **Induced impact:** refers to the impact associated with the re-spending of labour income (household spending) and/or profits earned in the industries (business investment) that serve visitors directly and indirectly.
- **Total impact:** refers to the sum of the Direct, Indirect and, and Induced impacts.

# AMCC Economic Benefits

## Ontario Tourism Regional Economic Impact Model (TREIM)

Based on \$30,000,000 Investment/Capital Expenditures in an Arts/Cultural Facility



**GDP**

**\$14.7 million**



**Labour Income**

**\$10.4 million**



**Full-time Job  
Equivalents**

**131**



**Federal  
Provincial  
Municipal  
Tax Revenue**

**\$4.2 million**

# AMCC Economic Benefits

## Compton and MacKay (US Model)



For Every \$1  
Invested:


**\$1.4-\$1.8 is  
Generated**

## IMPLAN (US Model)



For Every \$1  
Invested:

**\$1.4-\$2.8 is  
Generated**



Based on past financial investment by the City of Burlington, **for every dollar invested, there is \$10 in local economic impact.**

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The Burlington Performing Arts Centre and its patrons are estimated to have a total **economic impact of roughly \$7.8 million a year** in the Burlington area economy (*An Economic Impact Analysis 2010-2014*). This impact has grown steadily since 2011 as the number of events and associated attendance at The Centre has grown.





“The FirstOntario Performing Arts Centre has acted as a catalyst in revitalizing downtown St. Catharines and is an economic driver for Niagara, **generating \$17 million of economic spin-off on an annual basis.**”

*- St. Catharines Standard, December 13, 2016*



Judith & Norman Alix Art Gallery  
Economic and Social Impact Report, 2016

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The *Masterworks from the Beaverbrook Art Gallery* exhibition brought a tremendous influx of visitors to the Gallery. It also **generated \$1,585,240 in terms of economic impact** to Sarnia and the Lambton community.

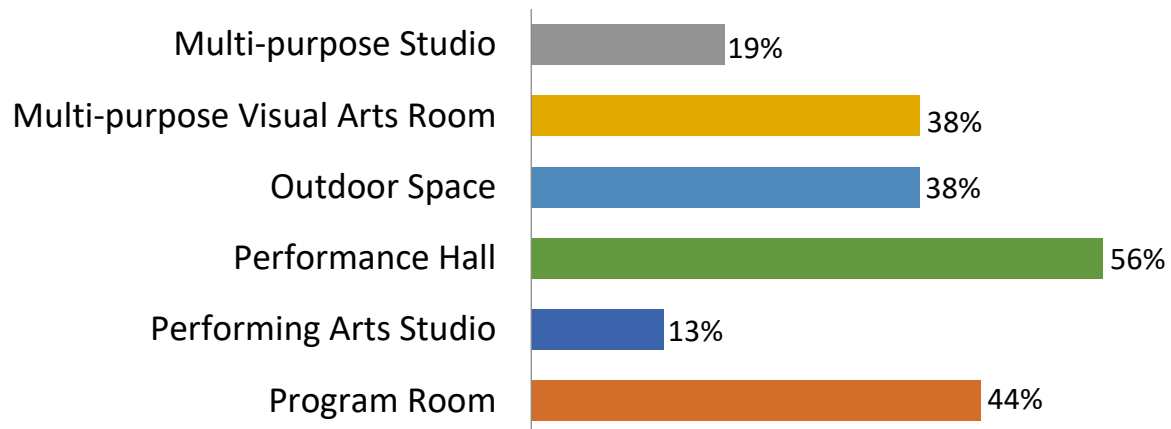
# Community Support

- Consultation with 43 cultural partners and organizations on AMCC needs and potential usage assessment
- One-on-one consultations with Aurora Cultural Centre, Aurora Museum and Archives, Aurora Public Library, Marquee Theatrical Productions, Aurora Film Circuit, York Region Arts Council, etc.
- An online survey of cultural organizations

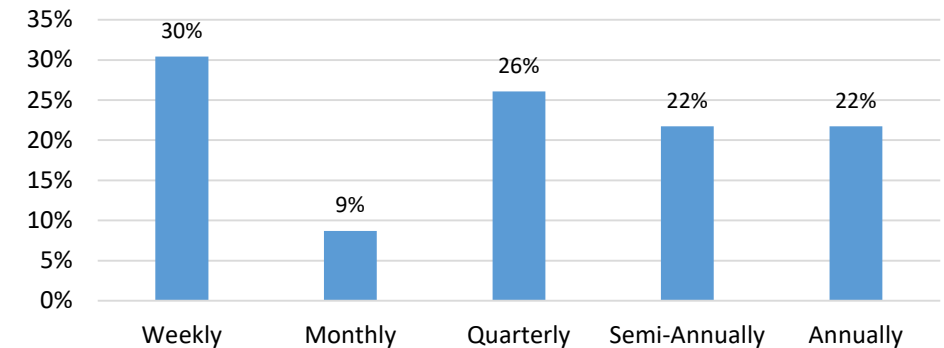
# Online Survey Results Highlights

- 96% of the survey respondents in favour of the expansion plans
- 68% in favour for rental purposes of the new additional spaces
- 75% indicated the new addition would ADD TO their current programming, while 25% would REPLACE their current rental space (among those, 57% indicated that it would replace out-of-town rental space)

**Preference of of the Rental Space**



**Frequency**



# Financial Plan

- Grant applications
- Fundraising Feasibility Study
- Branding and Marketing
- Communication Plan
- Planning Considerations
- Construction Costs Breakdown

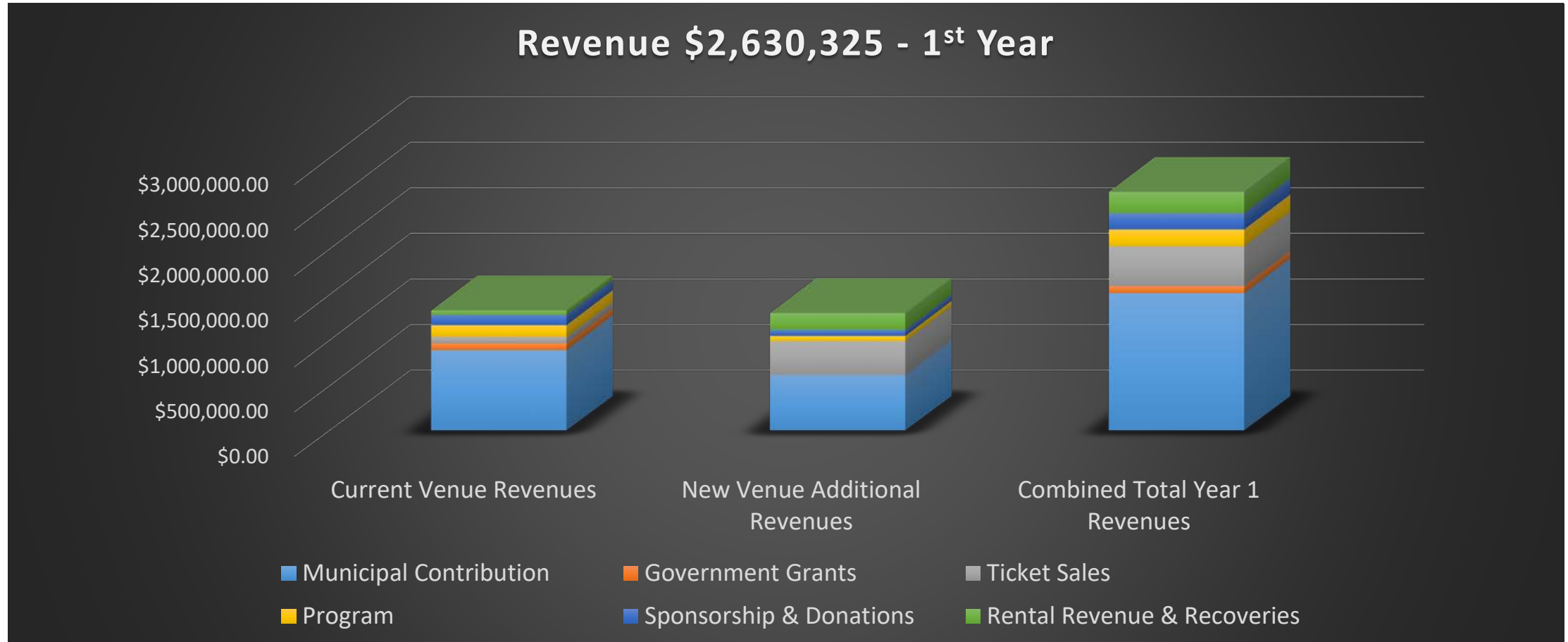


# Operational Considerations – Year 1



	Current Venue Revenues - Includes Town in-kind, Museum & ACC	New Venue Additional Revenues	Combined Total Year 1 Revenues	% of Increase
Municipal Contribution	\$895,365.00	\$624,280.00	\$1,519,645.00	70%
Government Grants	\$75,000.00	\$2,500.00	\$77,500.00	3%
Ticket Sales	\$68,583.00	\$365,973.25	\$434,556.25	534%
Program	\$128,690.00	\$56,795.00	\$185,485.00	44%
Sponsorship & Donations	\$111,824.00	\$65,912.00	\$177,736.00	59%
Rental Revenue & Recoveries	\$50,000.00	\$185,402.25	\$235,402.25	371%
<b>TOTAL REVENUE</b>	<b>\$1,329,462.00</b>	<b>\$1,300,862.50</b>	<b>\$2,630,324.50</b>	<b>98%</b>
	Current Year Expenses - Includes Town in kind, Museum & ACC	New Venue Additional Expenses	Combined Total Year 1 Expenses	% of Increase
Human Resources	\$817,508.00	\$720,219.17	\$1,537,727.17	88%
Artistic Fees	\$119,790.00	\$314,943.58	\$434,733.58	263%
Marketing Expense	\$50,124.00	\$38,000.00	\$88,124.00	76%
Program	\$123,505.00	\$63,331.00	\$186,836.00	51%
Sponsorship Expenses & Prof Fees	\$39,250.00	\$15,500.00	\$54,750.00	39%
Office Expenses	\$49,285.00	\$72,868.75	\$122,153.75	148%
Facility Expenses	\$130,000.00	\$76,000.00	\$206,000.00	58%
<b>TOTAL EXPENSES</b>	<b>\$1,329,462.00</b>	<b>\$1,300,862.50</b>	<b>\$2,630,324.50</b>	<b>98%</b>
<b>NET REVENUE</b>	<b>-\$0.00</b>	<b>\$0.00</b>	<b>-\$0.00</b>	

# Revenues – Year 1

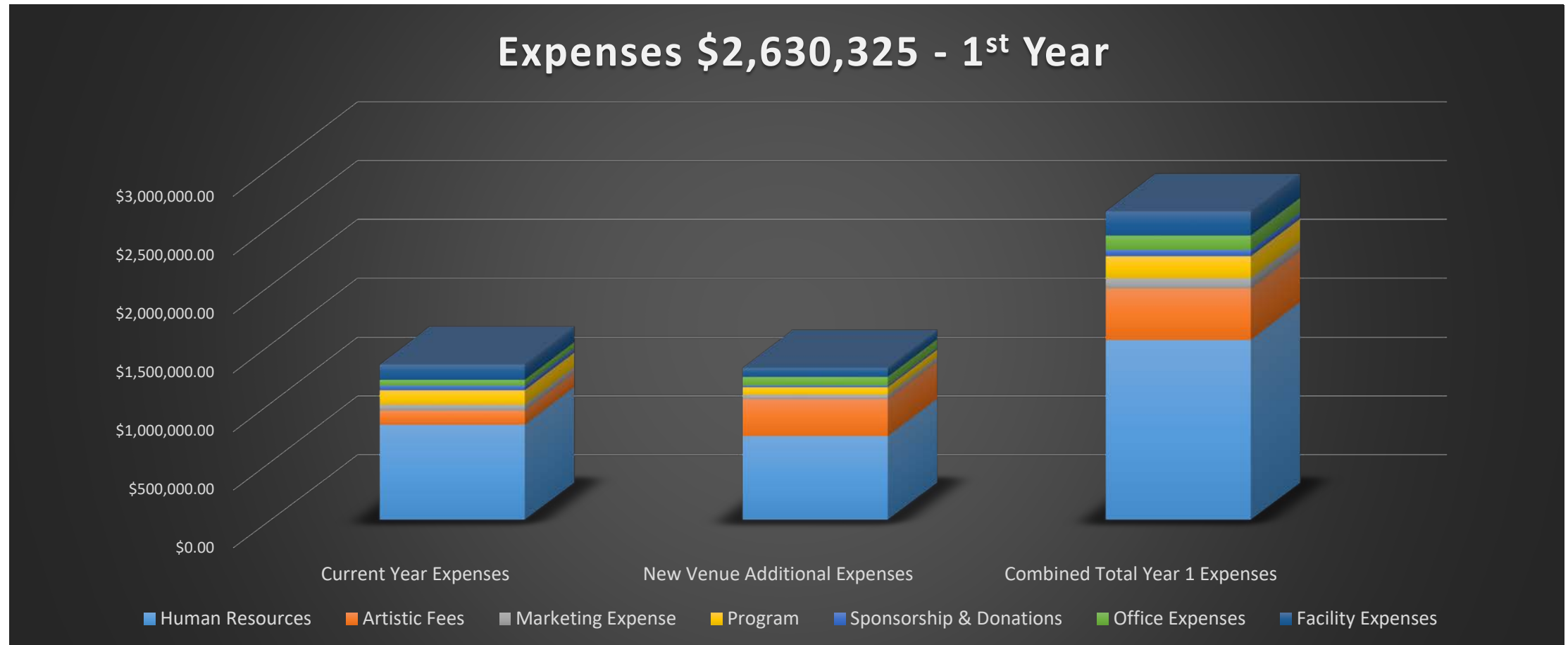


# Revenue Increases Over Current Revenues

- Municipal Contribution – a 70% increase due to doubling of facility space, and increased programming
- Ticket Sales – a 534% increase in ticket sales revenue due to the addition of the New Performance Hall
- Program – a 44% increase in program revenue due to expended class offerings due to new program space in new facility
- Sponsorship & Donations – a 59% increase due to additional staff focused on sponsorships & donations and heightened visibility due to new facility
- Rental Revenues – a 371% increase due mostly to the New Performance Hall



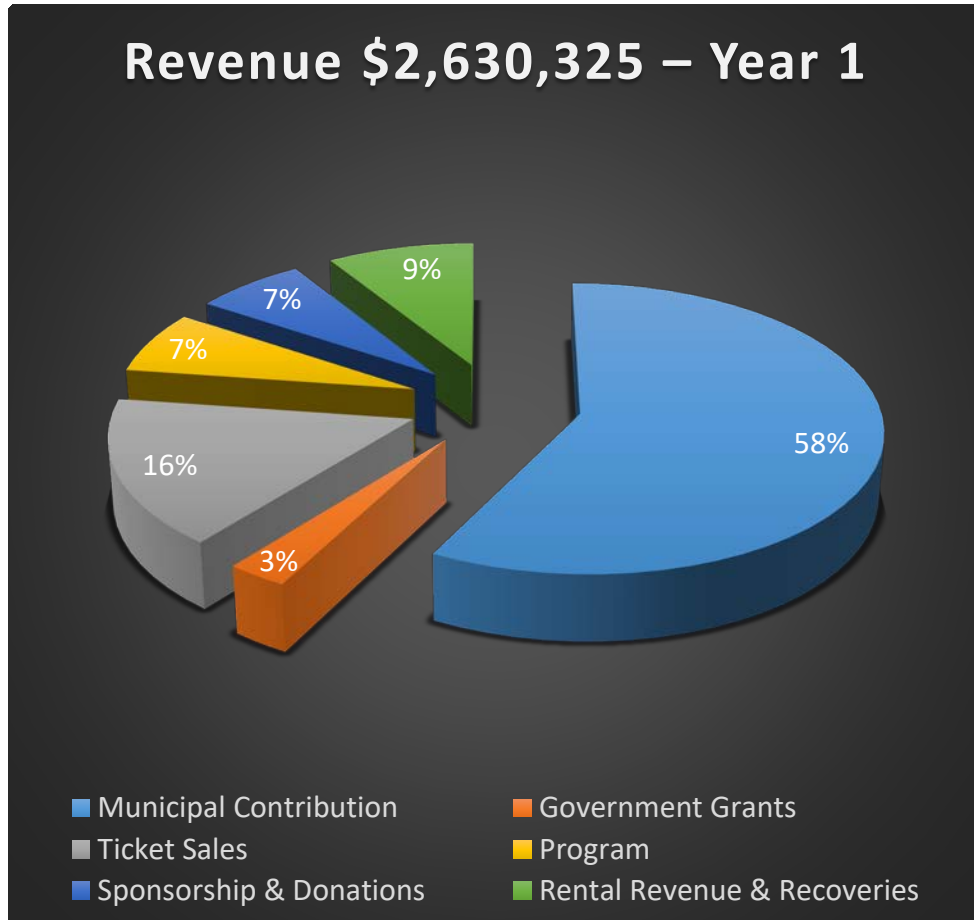
# Expense Increases over Current Expenses



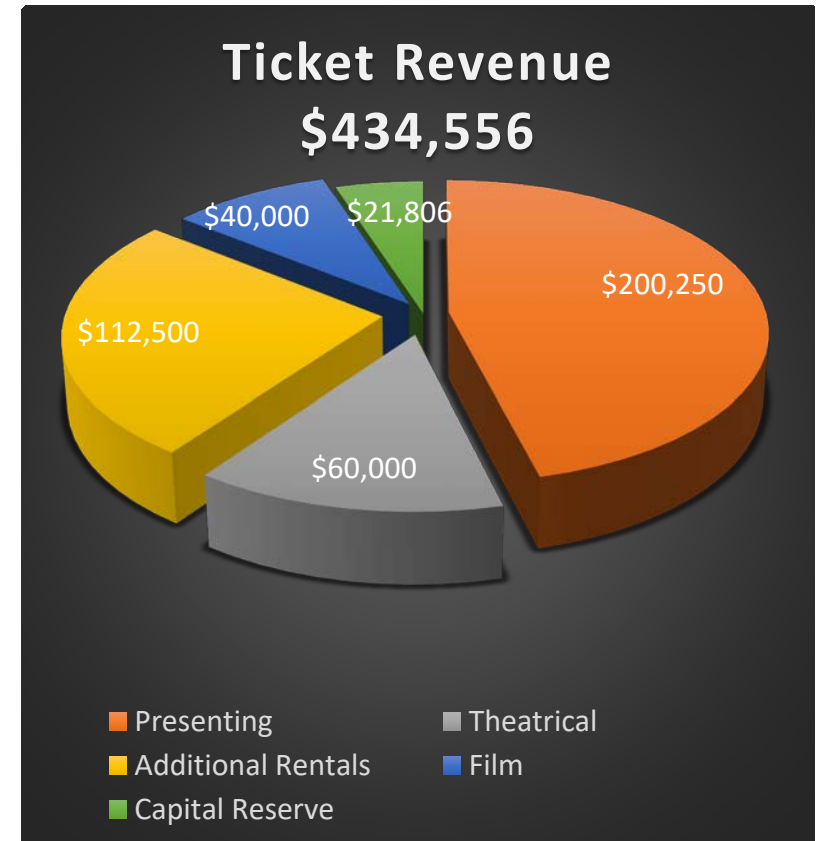
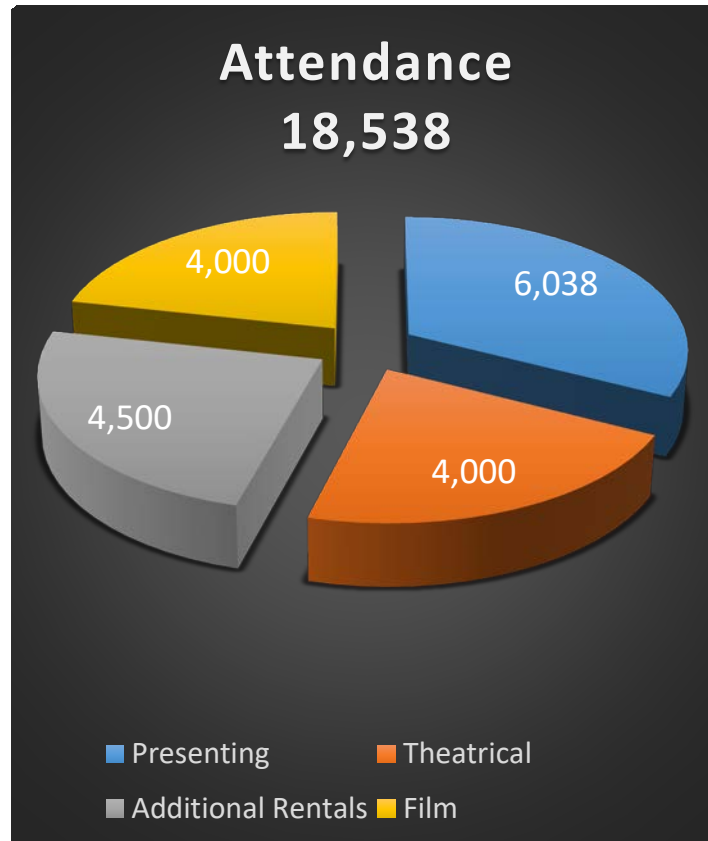
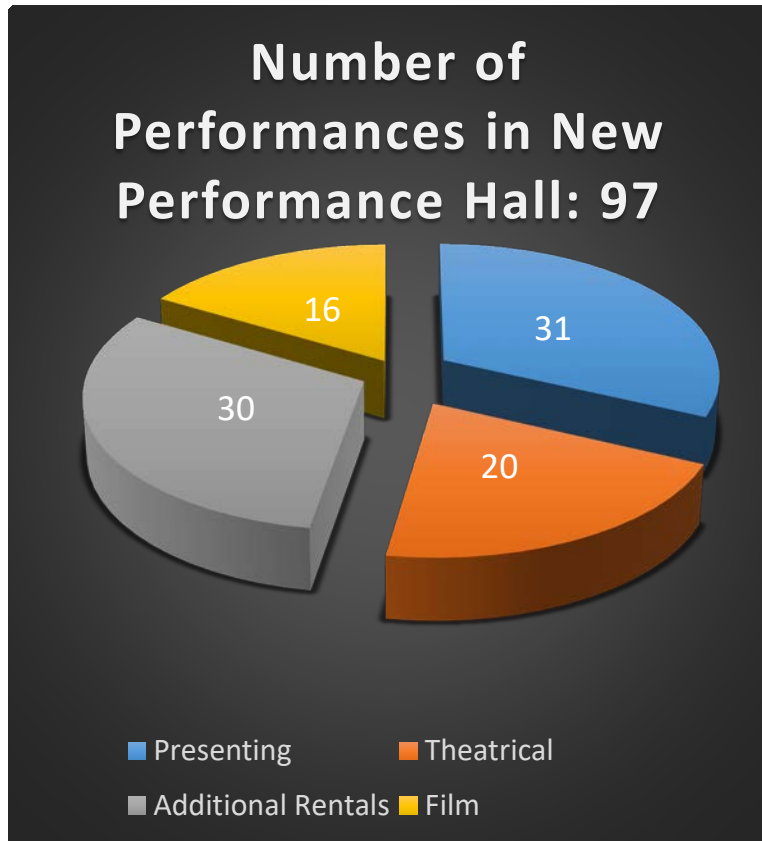
# Expense Increases over Current Expenses

- Human Resources – at 88% increase due to a doubling of the size of the venue, increased facility management, increased programmatic offerings, increased rentals, fundraising & marketing
- Artist Fees – a 263% increase due to an expanded presenting series & ticket sales revenue owed to renters offset by increased ticket sales
- Marketing – a 76% increase due to expanded class and exhibit offerings and expanded presenting season
- Program – a 51% increase due to expanded class offerings offset by program revenue
- Sponsorship & Donations – a 39% increase due to expanded fundraising activity more than offset by increase in sponsorship and individual giving
- Office Expenses – a 148% increase due to larger staff and programs & increased Box Office costs
- Facility Expenses – a 58% increase due to new venue

# Revenue and Expenses – Year 1



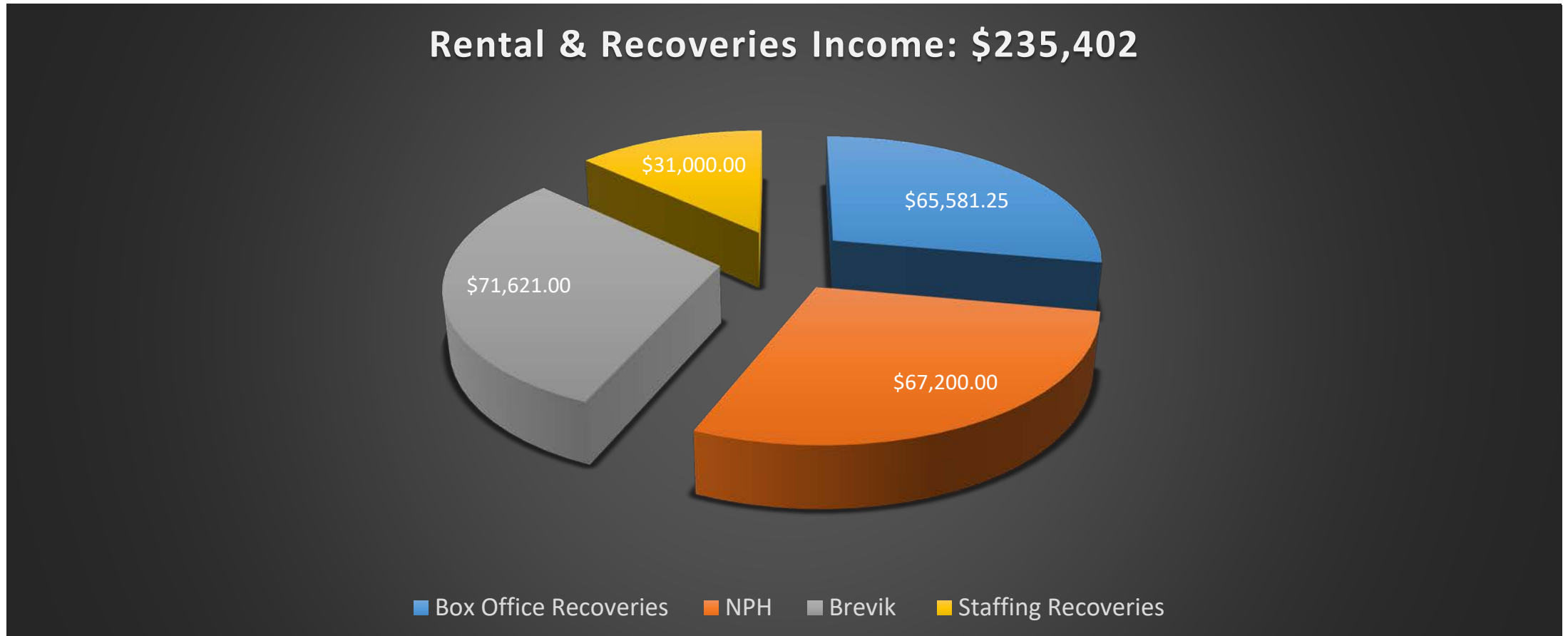
# New Performance Hall



# Rental Comparisons

	FirstOntario Performing Arts Centre Black Box Theatre	Rose Theatre Studio Black Box	Burlington Performing Arts Centre Black Box	Oakville Centre Studio Black Box	Newmarket Theatre 400 seats Proscenium	Aurora Proposed New Performance Hall
Rent per Hour						
Rent Non-Profit	\$82.00	\$89.15	\$88.75	\$77.50	\$108.13	\$75.00
Rent for Profit	\$127.00	\$148.59	\$135.63	\$121.00	\$165.00	\$120.00
Box Office Fee Charged to Renter	5% plus \$0.20 per ticket	5% plus \$0.10 per ticket printing	5% of sales	\$1.55 per ticket plus CC	5% of sales	5%
Box Office Fee Charged to Ticket Buyer	\$2.00	\$3.47 per transaction	\$2.50	\$1.00	\$2.00	\$2.50
Capital Reserve	\$2.00		\$1.50	\$1.00	\$2.00	\$1.50
Set up Fee		\$100.00	\$100.00		\$140.00	\$100.00
Box Office Staff				\$43.00		

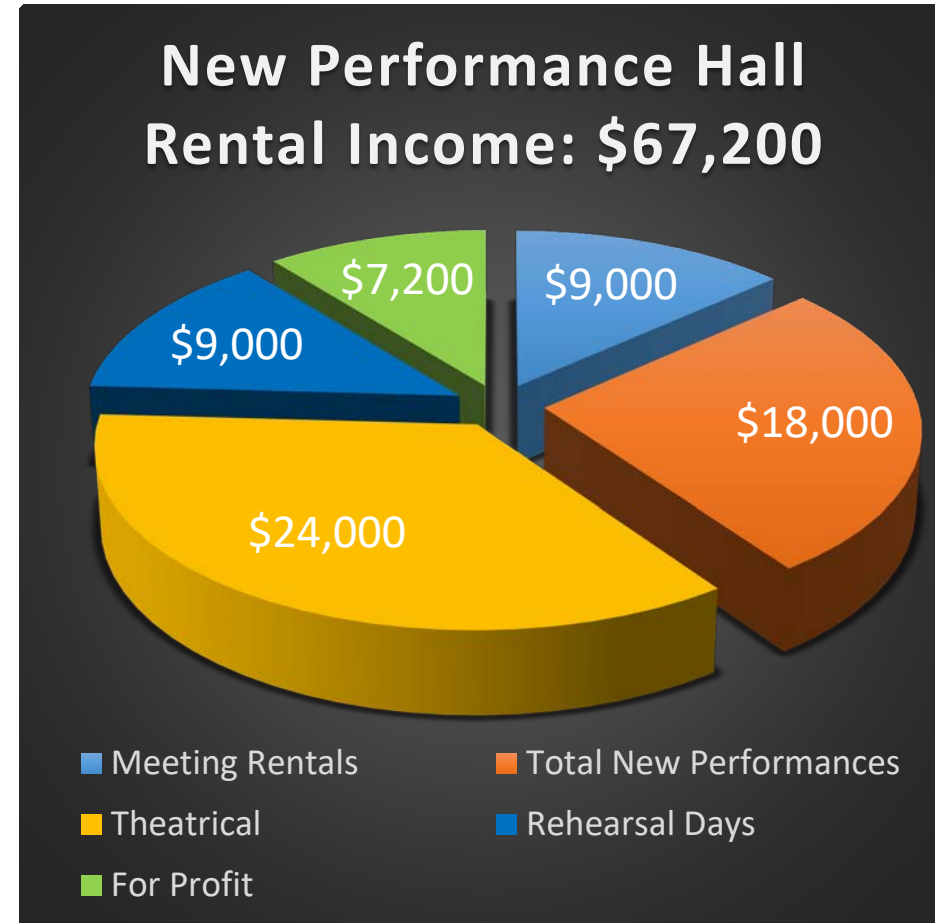
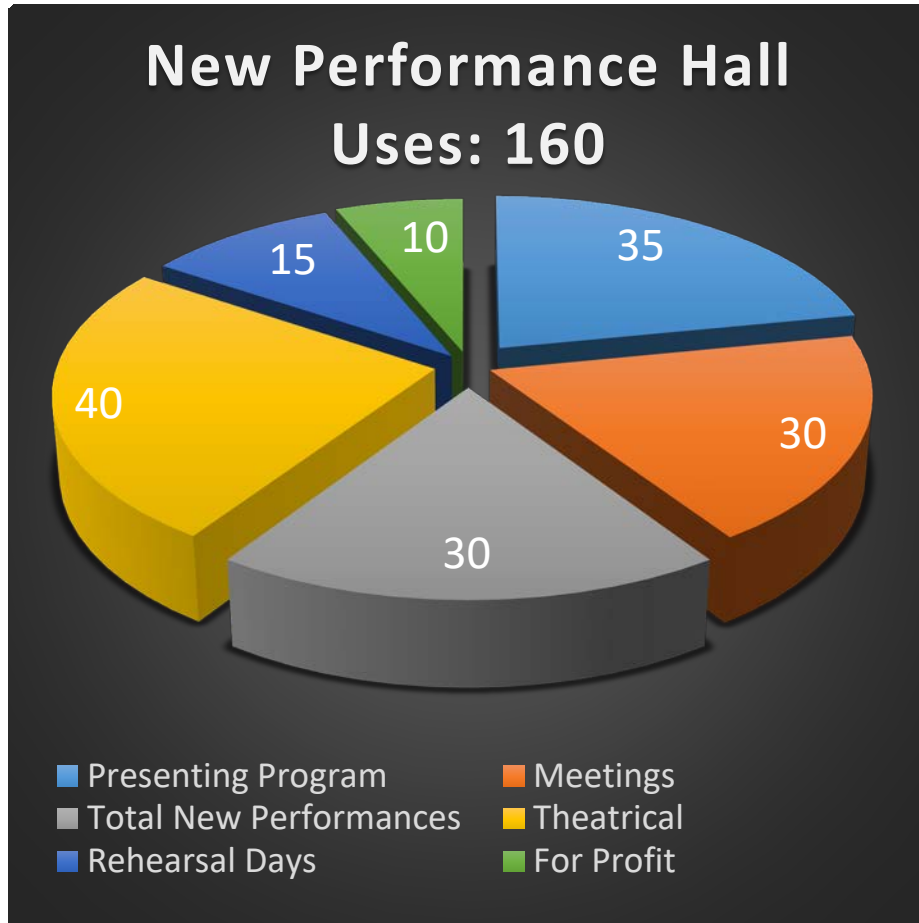
# Rental & Recoveries Revenues



# Rental Income & Recoveries

- Box Office & Recoveries (\$65,581) are based on the 5% of ticket sales & \$100 per performance set-up fee charged to renter, \$2.50 per ticket service charge to ticket buyer, and \$2,500 in advertising revenue
- \$67,200 Rent based on 160 rentals in the New Performance Hall (see next slide)
- Brevik Hall would see a small increase in meeting rentals due to moving all full day performance rentals from Brevik to the NPH as well as a small increase in rental charges resulting in a total increase of \$21,621 in Brevik rentals
- Staffing recoveries are for charge backs for technical labour and equipment rentals in the New Performance Hall

# New Performance Hall Uses & Income





# Next Steps

- Create job description and responsibilities for AMCC Project Leader and commence recruitment of such person forthwith
- The new Project Leader to collaborate with current Cultural Partners and Cultural Organizations to plan future access to appropriate performance, rehearsal, exhibit, education and other cultural spaces and support services at AMCC
- Offer increased opportunities to support the development and health of the professional arts community in Aurora
- Finalize an operational model for the new AMCC and its organizational structure
- Liaison with Town staff, architects and contractors to oversee the budget, construction and timeline for the AMCC project
- Work on other priorities as set out in the Cultural Master Plan and provide an CMP update (2020-2025)
- Town to hire a Fundraising Consultant to conduct a Capital Campaign Feasibility Study to raise capital and sustainability funds for the AMCC