



3415 Sweet Drive
Lafayette, California 94549
530-792-1114
www.venue.tech.com

Saving Historic Theatres

...Success Toolbox™

Many VenueTech clients are currently faced with the community challenge of saving historic theatres. Developing an effective strategy for the purchase, restoration and operation of these important historic resources is quite complex. This task must start with the critical steps of building “community ownership” for the project, defining an appropriate programming model and developing a comprehensive business plan designed to both operate the facility and raise the millions of dollars required to fund restoration and operation.

It is not surprising that the National Trust for Historic Preservation highlights “Historic Movie Theatres” as the most endangered historic buildings in America. While a comprehensive national inventory of these buildings is currently underway, estimates indicate that there were once more than 20,000 historic, single screen movie theatres. Unfortunately, of that number, less than 5,000 still remain. Clearly, these buildings no longer have strong economic value for the private sector. However, for the public and non-profit sectors, profitability is not as strong a motivation as historic preservation, downtown redevelopment, cultural growth and other community benefits.

Programming Model

Often the initial goals of a historic restoration project are centered around saving the building as a historical structure. However, ultimately the building must be appropriate for contemporary use and must contribute some level of community benefit. This is critical as the projected use of the building must support the need to raise restoration and operating funds. Defining an appropriate programming model is the first essential step in moving a historic restoration effort forward.

Often communities find it appealing to explore the opportunity to convert single screen historic theaters into space for performing arts. This is often appealing

because the economics of the alternative, operating these venues as cinemas, is difficult to justify. In addition, as a performing arts facility, the programming model can often feature a limited cinema component.

Performing arts facilities generally elect to operate under one of three business philosophies: "**Community Rental Facility**" (four walls), "**Producing Facility**" or "**Presenting Facility**".

As a *community rental facility*, a theatre is used by individual promoters, businesses and organizations to promote their events and the facility receives a rental fee for the usage time. While there is little risk in operating a facility under this philosophy, there is also minimal financial potential. Virtually all four wall facilities operate with a financial deficit that requires subsidy from other sources of income. In addition, organizations using this management approach cannot effectively take an active leadership role in the cultural development of their community because the facility's creative decisions are made by outside businesses and organizations.

A *producing facility* is generally in the business of staging theatrical, musical and other creative events. This approach to facility management provides an extremely effective way to stimulate the collective creative expression of the local arts community. However, it is unlikely that productions with profit potential can be consistently produced in small and mid-sized markets. Producing facilities generally require financial backing from investors in each production. A major weakness of this approach is the amount of stage time required to produce each show. This time not only increases operating expenses but also reduces the number of dates available in the venue for other community events and profitable endeavors, greatly under-utilizing the buildings potential.

As a *presenting facility*, a theatre is used for the presentation of live entertainment and cultural events typically featuring touring artists. In contrast to the rental of the facility by promoters, a presenting theatre promotes these events on their own. The risk, as well as the potential profit, is assumed by the organization. By presenting commercially viable shows presenting theatres have the greatest potential of decreasing the level of operating subsidy. More importantly, organizations using the "presenting theatre" business model have an enhanced ability to positively impact their creative and programming missions.

Depending on the size of the venue, a restored theatre can provide a quality atmosphere suitable for the production of many entertainment and cultural activities. Within the limitations of the facility, some of these may include:

- ◆ Dance including ballet, jazz, ethnic and modern
- ◆ Symphonic and chamber music
- ◆ Youth and family programming
- ◆ School programs including master classes for music and drama students

- ◆ Choral
- ◆ Opera (within the limitations of the theatre facility)
- ◆ Live theatre - musicals, drama, comedy and one man shows
- ◆ Commercially popular headliner acts
- ◆ Jazz and big band music
- ◆ Comedy
- ◆ Culturally diverse and ethnic programming
- ◆ Speakers, workshops, conferences, etc.
- ◆ Cinema arts (classic, art and foreign film)
- ◆ Fundraising activities for regional organizations
- ◆ Business and civic meetings, workshops and seminars
- ◆ Youth programs
- ◆ Programs that integrate performing and visual arts
- ◆ Programs oriented toward education

Success Toolbox™ is a trademark of VenueTech Management Group, LLC. This service offers free informational downloads designed to provide ideas for professional staff and community volunteers in the areas of fundraising, event planning, capital campaigns, facility management, arts planning and historic preservation.

VenueTech Management Group, LLC is a full service consulting and management firm involved in the business planning, capital development and direct management of community-based organizations and public assembly facilities. A significant portion of the firm's business is focused on the use of entertainment, cultural arts and public venues as a catalyst for economic development. The firm also specializes in building private-public partnerships, managing performing arts venues and the restoration of historic structures.

*For information regarding our consultation and management services,
please contact us at 530-792-1114.*

