

MINUTES

Cultural Services Advisory Committee

Saul Room, The Atrium Building

December 10, 2019

Noon

PRESENT: Buzz Kawders, Kelly Johnson, Ashley Petsch, Scott Freck, Committee Members; Isaac Marquez, Darcy Beal, Theresa Sizemore, Kate Ali, Ben Klipfel, Rich Hobby Cultural Services Staff, Renee Grube Executive Director

Guests: Philip from Ballet Fantastique

MINUTE APPROVAL

September 10 minutes approved with no edits.

Theresa noted that there were discrepancies in the last resident company report presented. Theresa can send out corrected copy if requested.

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SORENG POLICY

In the September 10th meeting, a proposal was brought forward to adjust the rental rates on the Soreng Theater. The committee requested that Theresa and Isaac look at scenarios to see an actual impact on local companies. Since the rent is highly subsidized, the committee needed to see what changes needed to occur and how the rental structure will change.

Isaac provided a brief history of the Soreng Theater and recapped the process to review the rental structure. The last time the rent was updated was in 2000 and the structure is tricky because of the subsidization, so they established a sub-committee to review possible changes. The sub-committee had three meetings in 2018 & 2019 and regularly brought updates back to CSAC. He explained that rent is dedicated to utilities, consumables, services beyond ticketing, equipment costs, administration and revenue targets.

Isaac distributed handouts that included desired outcomes. In typical performing arts venues, the more tickets you sell the more you pay in rent. However, with the Soreng Theater it is the opposite; the less tickets you sell the more you pay in rent. The building is approaching 40 years and needs updates. Isaac explained that stewardships requires us to keep up with the venue, align with industry standards and support local organizations.

Buzz explained that the Patron User Fee (PUF) in the past was supposed to be used for facilities and at some point it was switched to a rent subsidy. Rent was impacted for users, and PUF is no longer being used for its intended purpose. The intended use is more important than ever with 40-year-old building.

Theresa spoke about how the Hult Center aligns with industry standards both on a local and national scale. Locally they looked at Shedd, LCC, Wildish, WOW and Beall Hall, and nationally they looked at seven comparable venues. They did a rent to gross calculation for comparison- took rent, \$30 ticket, ¾ sold house. Hult sits at 6% compared to 13% locally and 17% nationally. At most venues, local and Resident companies will be at 50% of standard rate.

Theresa spoke about how they really want to support local organizations with a reasonable rate. They looked at their options of a flat rate, % rate or a flat plus % rate. They wanted to simplify and have a reasonable rate so organizations can plan ahead. They created an analysis to see what the impact would be and planned to get to a 50% rate as a graduated piece over 4 years.

Theresa distributed handouts that showed the phase in over 4 years. The handouts showed all different scenarios ranging from 1 rehearsal day to a full week of rehearsals/shows. The organizations vary from local dance schools to professional organizations.

Buzz asked, if these changes were made where would the Hult be compared locally and nationally? Is it safe to assume the Hult is still below?

Theresa explained that yes, even with the changes, the Hult is still below the average.

Proposal

Commercial rate: \$1330

Local: Remove PUF, Graduated flat fee over 4 years to get to 50% of commercial rate

Year 1 - \$550

Year 2 - \$590

Year 3 - \$630

Year 4 - \$635

Second performance same day would be \$400, Youth Education would remain at \$215, Load in/tech, rehearsals would be \$200 (first year would be \$195). Theresa explained that when they are spending a whole day in a room they are burning a lot of electricity and equipment. The Hult wants to keep these costs reasonable. These changes would return over \$50k a year back into the center.

Isaac explained that this is a facility fee to reinvest back in the venue, and that will be an important part of the communications.

Community member asked if this rental increase was only applicable to the Soreng?

Theresa explained that the Silva Hall has base rate plus a % and is currently within industry standards. Only the Soreng is an upside-down rental structure.

Phillip felt it seemed like a disproportional increase for Ballet Fantastique. He felt there needed to be accommodations for Ballet Fantastique to reduce impact given the role that the company plays in maintaining viability of the Soreng within the Hult Resident Companies. He calculated that the increase would cost the company an additional \$4k a year, and as they are confined to a limited number of seats in the Soreng, they are restricted on being able to build revenue

Theresa explained that the cost to the company would be under \$2k over the course of the first year.

Buzz explained he is likely looking at performances verses the time spent in the Hult. If you take the numbers based on the Hult usage it is significantly lower.

Kelly asked if there would be a different rate for Resident Companies and local companies?

Theresa explained that they would be the same, but Resident Companies have youth education, and sound and lights included in their rent. They have a lower equipment rate and a lower box office fee.

Community member asked if there was a proposed increase in Silva Hall?

Theresa said not at the moment as they are working to correct structure that is problematic. The Silva is very different, and organizations pay a significant amount of rent. They haven't increased the Silva in 3 years. Looking at where it is nationally, they feel satisfied with where they are.

Renee confirmed that there is no current proposal for the Silva but they continue to evaluate.

Isaac asked the committee for thoughts or questions.

Kelly did not have any questions. Explained it was clear there was a lot of work done to look into this. The forecasting helps the groups plan which is vital.

Ashley explained that she reviewed the numbers and the greatest impact for Ballet Fantastique would be in 2021 and at that point it is still less than \$1 increase per ticket. She also explained that she is curious about hearing more about the Capital Campaign planning.

Scott explained that he is representing the resident companies and has checked in with the other 4. He is carrying those comments on their behalf. He appreciated the extra time and research that was done since the September meeting. He expressed gratitude that PUF would go back to the original intent as that needs to be corrected. Scott asked if there are specific plans of where the PUF will go? What will it help fund? He stated that knowing that will help ease the worries from Resident Companies.

Kate said that she really appreciates the concerns that were brought up and how it plays out for artists and the local community.

Buzz spoke about the time he spent with Ballet Fantastique and his concern was that this would end up equitable and whatever proposal would not diminish accomplishments they have done. In the long term, the proper use of PUF funds will outweigh the rental increase in benefiting the company and others that use the Soreng.

Isaac asked if they have a motion to approve the proposal?

Voting members – All approved to recommend to Renee.

HULT CENTER UPDATE

In November, the Hult Center brought in the show *Love Heals All Wounds*. Theresa spoke about the importance of bringing work that is culturally significant. She originally saw the show in Portland to see if they wanted to bring it down to Eugene. The show centers on climate change, mass incarceration, and immigration. Often these types of performances can be jarring but this performance pulls the audience in and is very loving and inviting. The Hult Center brought in over 1600 kids to see this show, held an evening performance and a master class at the U of O. This is the type of work the Hult Center wants to do with the Education Program - both bringing in students to the Hult and going out into the community. The Resident Companies do this, but the Hult Center has not done this in a long time. The comments we got back were overwhelmingly positive, people discussed the show as being life changing and the lines for the Q&A were all the way down the aisles.

Isaac showed some drone images of all the student buses parked on Olive Street.

Rich spoke about how this was a hard show to market but some of the best takeaways are the partnerships they were able to do. The impact it had on the people in the room was so immense compared to the ticket sales. People spoke about how touched they were that this was brought into the Hult and that they recommended it to others.

BLACK FRIDAY MARKETING UPDATE

Ben spoke about how the Marketing team is working with the Box office to shift from selling tickets to a whole user experience. They have been doing this using a couple different tactics: first was the Fall Menu. They saw a really positive response that they had not seen in the past. The second was the Holiday Gift Guide.

Rich explained that they wanted to get ahead of the post-holiday slump. In the past, everyone would do individual offers, but they decided to do a unified effort. This was the first time they started recommending shows for people to go to. The Holiday Guide focused mainly on Hult Presents shows but did feature Resident Companies as well. It was mailed to 2500 households before November 27th. They also issued the first ever Wildcard Weekend, which was Black Friday through cyber Monday. In this first year they sold over 1,000 tickets. Moving forward, they would like to focus more on pulling together combined effort, and why people should be thinking of tickets as gift items. Holiday sales pushes aren't going anywhere, and if they can find more partners and more amazing offers this can be an even bigger tie.

Rich also explained that they used to do late spring mailer. However, they shifted the timing of this since the late spring is usually empty. The email list is now up to 70K subscribers and is growing by about 10K per year. When they first brought back Hult Presents it was only at about 40K.

Ben also gave a couple shout outs to some upcoming shows at the Hult Center; The Illusionist Table. Which will be an amazing and unique interesting experience.

Theresa confirmed and said she saw it in NYC and could not figure out how he does what he does. The show was a surprise and delight all the way through.

Ben spoke about Manual Cinema's Frankenstein and how it is a unique way of showing film and production on stage.

Theresa also mentioned that the show received the Hult endowment grant for Manual Cinema.

Rich mentioned that Harmonic Laboratory will also be doing an exhibit in the Jacobs Community Room in conjunction with Manual Cinema.

PUBLIC ART

Kate spoke about the public art they are doing on traffic boxes around Eugene. The Traffic Operations team reached out to Urban Canvas expressing a lot of issues they were having with graffiti. The traffic boxes needed to be painted anyway, and they wanted to raise the bar. They recently just did 5 boxes in the Whiteaker neighborhood. Instead of just choosing the artists, they wanted to engage the community more directly, working with artists specifically living or working in the Whitaker. Impacting the visual language that occurs in their community. 4 out of the 5 boxes are now complete, and Traffic operations is already contacting them about the next project.

Buzz thanked everyone on the committee and staff. The committee accomplished an awful lot with the recommendations on the rental structure. It's been a long process because it was not hurried, and it was well thought out. He expressed gratitude for the willingness of the staff to listen. Agendas go out before each meeting, but we are always open to suggestions, input, thoughts of what should be discussed. Email suggestions to Buzz and Isaac, and it will make its rounds and proper attention on the agenda.

Meeting adjourned 1:16pm.