



Image via: South Florida Media Network

**City of Miami Beach Facilities and Fleet Management
Proposal for an Partner Options Assessment +
Operating Feasibility Study
for the Byron Carlyle Theater**

March 15, 2023

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Elizabeth Miro
Assistant Director
City of Miami Beach Facilities and Fleet Management
140 MacArthur Causeway
Miami Beach, FL 33139

Dear Elizabeth,

It was a pleasure speaking with you recently to discuss AEA Consulting's potential role assisting the City of Miami Beach Facilities and Fleet Management in developing an Operating Feasibility Study for the Byron Carlyle Theater in North Beach, helping you understand what a long-term sustainable business model for a multi-partner cultural venue would look like. On behalf of the team at AEA Consulting, I am excited to submit this proposal in response. If selected, we would bring to the task our thirty years of experience in the cultural sector around the world including:

- Significant experience developing strategic and operational plans and feasibility studies for a wide variety of theater and complex, multi-disciplinary cultural projects, including Lincoln Road, Ballet Memphis, Huntington Theatre Company, and The Shed, among others.
- An understanding of the needs of capital projects and their teams at the early stages of development and operating planning, as seen in the creation of operating frameworks and space plans for projects such as Sullivan County Land Bank's Broadway Theater redevelopment, Atlanta Housing's Atlanta Civic Center, Jones Hall in Houston, the City of Santa Clarita (CA)'s planning of a new outdoor amphitheater, and Philadelphia Film Society's acquisition of the Prince Theater.
- A deep familiarity with the financial, operational, and organizational nuances of theaters and other cultural institutions – and an appreciation of how they can best fit into and play a key leading role in their surrounding urban context through our work leading the Global Cultural Districts Network.

We are highly attuned to the role intelligent planning work plays in long-term sustainability. We are critical and imaginative thinkers, unbiased and rigorous in our analysis, and seek to ensure our clients' projects are best positioned for long-term cultural and civic impact. Our proposal reflects our understanding of your needs, though please consider that it might be amended as you see fit following further discussion.

Thank you again for the opportunity to submit this proposal to work with the City of Miami Beach Facilities and Fleet Management Byron Carlyle Theater project, and we stand by to answer any questions you may have.

Sincerely,

Catalina Casas
Consultant



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Project Context

Located in the North Beach neighborhood in Miami Beach, the Byron Carlyle Theater opened in 1968 as twin cinemas hosting first-run movies. North Beach is most famous for its Collins Avenue high-rises and iconic Miami Modernism (MiMo) architecture. Away from the resort strip, the suburbs of North Beach are characterized by their vibrant communities, green spaces, proximity to the ocean, and its budding cultural scene. The community's desire for more cultural spaces and an appetite for more activation for North Beach positions the Byron Carlyle Theater as an exciting space that can serve the community and further cement Miami Beach's commitment to arts and culture.

The City purchased the Byron Carlyle from the WBC Broadcasting Corporation in 2001, aiming to spur economic development and the North Beach arts and culture scene. From 2014 to 2018, the western part of the building was occupied by Living Arts Trust d/b/a O Cinema, while the eastern portion remained uninhabited until its permanent closure in 2019. Since then, the City has been looking for ways to revitalize the theater through community charettes, a conceptual masterplan, Town Hall meetings, and even issuing letters of interest to cultural partners. In 2021, the Miami Beach City commission rejected a proposal for a mixed-use project after residents and activists spoke out against the project fearing the loss of the iconic theater to a developer with other goals. Now, the City has the opportunity to create a space that will serve the community culturally and in other ways by reactivating the Byron Carlyle Theater and repositioning it as a community anchor. Potential uses for the cultural space expressed by the North Beach community and the City Commission range from a theater or cultural center to gallery space, artist studios or a film/arts center.

After the passage of the City of Miami Beach's arts and cultural general obligation bond in the November 2022 election, the Byron Carlyle will be receiving an approximately \$30 million allocation for its reconstruction, the development of a cultural center or a multi-use, flexible cultural space. Based on the current designs, the entire ground floor of the building will likely be dedicated to this purpose, with approximately 30,000 square feet of available space. However, before additional plans can be developed, the City of Miami Beach is seeking a consultant to assist the organization with a feasibility study to best understand the likely cultural uses, the economics of the venue's operation, and the impact on the surrounding community. This work includes a number of areas where AEA has experience, such as:

- Confirming the likely usage and programming for the space – understanding community needs and opportunities to expand beyond local arts;
- Determining the physical project requirements that will serve the likely uses; and
- Developing a sustainable operating and business model for its eventual operation.

AEA's Approach to Cultural Capital Project Planning

AEA has had the privilege of working for over thirty years on the operating feasibility of a wide range of cultural facilities – performing arts complexes, concert halls, museums, open air performance spaces, and multi-use facilities. We have also had the opportunity, through long-term relationships with clients, to see



how plans are realized in practice and how that trajectory might have been improved by a different initial approach. Success, in projects like these, is multidimensional and can take some time to establish. In the short-term, the project manager's concerns with budget, timetable, and conformity with the program loom large; in the longer-term, the place of the building in the affections of the community, the viability of the business plan, and the adaptability to changing uses can matter just as much – or more.

Our approach to establishing the financial feasibility of projects is first to seek to understand those larger strategic ambitions that the building is expected to fulfill. From our understanding of the informing intentions, we move to the programmatic ambitions – what are the programs that will best realize the vision – and the types of events and the sorts of experiences that will best serve the audiences. We explore these through discussion and consultation with stakeholders, careful research, and thorough benchmarking – drawing on the experience of others who have taken a similar journey.

Once we understand mission, vision, and programmatic ambition, we then turn to the practical implications underlying long-term sustainability. That includes understanding the physical needs within the space as well as the financial needs to support the space. Yet, particularly for new institutions with little or even no track record, making accurate financial projections is notoriously difficult. Reasons include:

- Systemic optimism, which is often the fuel that moves these projects forward – leaving feasibility exercises to be viewed as a buzz-kill;
- Highly bespoke buildings, meaning precedent for operating models can be difficult to find;
- The underlying (and sometimes unstated) assumptions around income from programs, venue rental, catering, etc. that can be difficult to assess; and
- Critical drivers of expenses – such as the extent and nature of union presence – are often not determined until close to the opening.

Inaccurate cost and revenue implications can traumatize an organization, creating debilitating cash flow challenges during critical periods in a new / renovated space in which the programmatic profile and strategic positioning of the organization develops. In our experience, the key to understanding this relationship and getting accurate projections is to invest effort in an iterative process by which the critical assumptions informing the underlying business model are identified and tested, and then a detailed “bottom-up” financial model is built up that addresses the relationship between income and expenditure, cash flow, and risk.

The feasibility process is invaluable in creating a well-grounded consensus – that is, a common understanding within management, your board, and other stakeholders built on a robust analytical base – with respect to the ongoing financial implications for the organization, the building, and the program that will animate it.



The Process

Our processes are designed to be economical with client resources, through the intelligent identification of plausible options at the outset and the employment of a logical sequencing of steps so that detailed aspects of an option (technical configurations of spaces, for example) are not needlessly explored when the option is impractical for unrelated reasons such as financial constraints or community needs. Throughout, we aim to work with as close an involvement with the client team as possible – this ensures that as much as possible of the knowledge generated in the feasibility study fits within the community and economic goals for the City of Miami Beach Facilities and Fleets Management and is internalized rather than ‘locked’ in the reports issued at the end of the process.

Phase 1: Market Assessment and Options Development

Commissioning Meeting and Materials Collection – We begin with a kickoff meeting with key members of the team (Steering Committee) where we outline the scope of the project, discuss project management structure and communication processes, and delve into the key needs for each organization as part of the project. We also use this time to collect key historical documents, notably those related to finances, programming, audiences, potential partners, and architectural plans, based on a provided list of materials. We combine this due diligence with our initial interviews to determine key questions we should focus on as part of our research and benchmarking to come.

Market Data Collection – While Miami is familiar territory to AEA, change is a constant in the cultural sector; we will therefore ensure we are fully aware of other activities and forecasts / plans in the market. We will conduct desk research to gather and analyze data on the latest local and regional demographic trends in the market and how those compare to similar cities in the U.S. Examples of relevant data we will investigate include regional demographic shifts, income and education changes, and tourism indicators, among others.

Field Scan – To further inform potential project concepts, we will investigate existing and announced competition in and around the region – both venues and other potential cultural uses. We would review current and announced construction projects, types of event produced / presented, ticket pricing (or other pricing models), and current attendance levels. We will also examine responses to previously issued letters of interest to anticipate interest from potential partners (*see below*).

The above background and market research will be conducted prior to and throughout stakeholder and community consultation (*see below*), allowing us to engage with potential partners and investigate data trends and apparent gaps more precisely.

Stakeholder Consultation – We will conduct interviews with key project stakeholders (e.g., City of Miami Beach officials, the developer) as well as market participants such as potential partners, presenters, and performers. We use these interviews to deepen our understanding of community needs, target audiences, project drivers, and programming opportunities, as well as any views of other key issues for the project. We would anticipate holding between 15-20 interviews during the process, with additional follow-ups as needed



to drill down deeper into information later in the process. (The list of interviewees would be confirmed with the City of Miami Beach Facilities and Fleet Management before beginning.)

Gap Analysis + Evaluation Criteria for Potential Partners – The above data gathering and consultation will form the basis of a gap analysis – identifying which types of cultural assets are most represented and which are missing and desired within the community and region, and defining an understanding of what the City is looking for the Byron Carlyle Theater space to be used for.

Based on the above as well as any constraints that have emerged during the process, we will then establish a set of criteria to evaluate the thirteen Letters of Interest received by the City (or other potential partners that emerge). These criteria will be discussed with the key project stakeholders before moving forward with the evaluation process.

Evaluate Potential Partners – We will evaluate the thirteen (13) Letters of Interest received by the City using the established criteria of evaluation. Based on the selected option and incorporating the responses to the letters of interest, we will conduct a partner review and evaluate the alignment of the arts and culture organizations that expressed interest with the selected option. We would evaluate this in consultation with the Steering Committee and propose a short-list of four (4) potential partners.

Develop Profiles on Potential Partners –As part of the selection process, we will develop comprehensive organizational profiles for each of the four (4) shortlisted organizations, which will include their background, history, programming assessment, audience reach, information on current leadership and Board of Directors, as well as any relevant financial data.

Facilitate Potential Partner Interviews – Based on the evaluation of potential partners and the shortlisted 4 potential cultural partners, we will facilitate interviews with these organizations in conjunction with the City Administration, as well as members of the North Beach Community Redevelopment Agency, the Miami Beach Cultural Arts Council, and Miami-Dade County's Cultural Affairs Department.

- + **Deliverable 1: Comprehensive Organizational Profiles** – We will develop comprehensive organizational profiles for the four (4) shortlisted organizations, which will inform the rating and ranking report alongside the interviews.
- + **Deliverable 2: Rating and Ranking Report** –To be presented to the City as recommendations for the selection of a cultural partner.

At this point, the City would be able to opt into Phase 2 work, as desired to further understanding of future operations of the Byron Carlyle Theater.

Phase 2: Operating Business Plan

Options Review Workshop – At the start of Phase 2, we would convene key team members and stakeholders, which may include the shortlisted partners or a final selected partner, for a structured session to “play back” what we have heard, present benchmarks and case studies illustrating programming options and strategies and discuss opportunities and associated high-level view of financial impacts under various physical and operating scenarios. The goal of the session is to ensure key stakeholders remain on the same



page through the process, pros and cons of various scenarios are clearly discussed, and there is an opportunity to determine the path that most aligns with the community's needs, the organization's mission, and financial success. At the end of the workshop (or soon thereafter), we would select a core option to understand the detailed financial implications – though there may still be variants on the core option that will continue to be explored as part of the modeling process below.

+ Deliverable 3: Market Assessment and Options Analysis – To be presented and discussed in the Options Review Workshop, we will create a comprehensive report of the local and regional marketplace – based on desk research and consultation feedback – and present a long-list of potential project opportunities (aligned with or separate from partners) as well as associated high-level risks and opportunities.

Spatial Impacts – Based on the selected option, we also would highlight any potential changes to the spaces or physical provision that would be required to ensure that the concept for the venue is successful.

Benchmarking – To inform our financial projections, we would research and analyze operating data for similar venues and operating organizations. We will focus on both regional and national comparisons to provide a full picture of the potential impacts of operations. Potential data gathered from benchmarking includes: ticket pricing & fees, utilization and attendance, food and beverage operations, rental usage and pricing, contributed revenues, staffing costs, programming costs, and building operating costs – as well as any potential insights from innovative and new business models deployed by benchmarks. The benchmarking data would be used to inform the financial model and will be shared as part of the final business plan.

Flexible Financial Model Development – We will then develop a detailed operating *pro forma* for the selected operating model by creating a flexible financial model in Microsoft Excel. This allows us to explore the implications of the vision and the operations of the planned project. We seek to understand in detail:

- Potential sources of revenue (e.g. events and venue rentals);
- The cost of, expected visitation to, and any potential revenue to be generated from food and beverage service, hospitality, and retail rental opportunities;
- The target audience, financial impact, and expected attendance of programs;
- Required costs related to utilities, insurance, cleaning and security, maintenance, and other applicable costs related to the building itself; and
- The costs related to staff, labor, and any front-of-house and back-of-house personnel, where relevant.

Because human resources are usually a major component of overall cost, this last item is critical, and this will work to create a future staffing plan for the operation of the venue. The plan will include detailed, line-by-line staffing projections and a calculation of overall labor expenses for full-time, part-time, hourly, and any pre-opening employees. The plan serves as a key input into the financial model.

All would be viewed through the lens of impact on the income statement, balance sheet, and cash flow statement from the opening year to five years after opening.



Financial Analysis – Including:

Funding Strategy – We will calculate any gap between earned revenue and expense, and as needed, highlight likely strategies for fundraising – focusing on high-level discussion of likely sources of contributed funding. This includes potential targets for operating funds that could be provided from endowment and any opportunities for a capital campaign towards the building or other major initiatives.

Sensitivity Analysis – We will create alternative scenarios for operating income and expenses in the opening year and stable year – usually through an optimistic case, a conservative case, and a downside or “break” case. These scenarios incorporate alternative assumptions for the key drivers in the business model and allow each organization to assess the impact of changes to the most important financial drivers.

Key Risks and Mitigation Strategies – We will create a register of key risks across the plan, their likely potential causes, and identify potential mitigation strategies for each.

- + **Deliverable 4: Final Business Plan and Presentation** – We will create a comprehensive final business plan for the selected option, including an executive summary, and we will present the report to senior leadership and stakeholders.
- + **Deliverable 5: Flexible Financial Model** – We typically also deliver the financial model created during the project and, if necessary, train staff on its use in a half-day training session.



Timeline

We anticipate the work for Phase 1 and Phase 2 would be completed in seven months from project commissioning. Phase 1 would be completed in 4 months, and Phase 2 would be completed in 3 months.

Month	1	2	3	4	5	6
Phase 1:						
Commissioning Meeting and Materials Gathering						
Market Data Collection						
Field Scan						
Stakeholder Consultation						
Gap Analysis + Establish Evaluation Criteria						
Evaluate Potential Partners						
Develop Profiles on Potential Partners						
Facilitate Potential Partner Interviews						
Deliverable: Comprehensive Organizational Profiles						
Deliverable: Rating and Ranking Report						
Phase 2:						
Options Review Workshop						
Deliverable: Market Assessment and Options Analysis						
Spatial Impacts						
Benchmarking and Financial Model Development						
Financial Analysis						
Deliverable: Final Business Plan						
Deliverable: Flexible Financial Model						
Final Presentation						
Deliverable						



Fee

We would complete Phase I of the project for a fee of **\$33,280**, excluding project-related expenses for travel to Miami Beach. If desired, Phase 2 of the project would be completed for a fee of **\$37,200**, or a total project fee of \$70,580, excluding project-related expenses for travel to Miami Beach if necessary or desired. Any additional expenses would be charged at actual cost with no markup.

	DP	CC	BS	TOTAL
Phase I:				
Commissioning Meeting and Materials Gathering	4	4	8	16
Market Data Collection	-	8	16	24
Field Scan	-	8	16	24
Stakeholder Consultation	8	12	4	24
Gap Analysis + Establish Evaluation Criteria	8	12	8	28
Evaluate Potential Partners	4	8	2	14
Develop Profiles on Potential Partners	-	4	12	16
Facilitate Potential Partner Interviews	2	4	4	10
Deliverable: Comprehensive Organizational Profiles				
Deliverable: Rating and Ranking Report	4	8	8	20
Phase I Subtotal Hours	30	68	78	176
Hourly Rate	\$ 300	\$ 185	\$ 150	
Phase I Fee	\$ 9,000	\$ 12,580	\$ 11,700	\$ 33,280

Phase 2:				
Options Review Workshop	4	4	4	12
Deliverable: Market Assessment and Options Analysis	4	8	8	20
Spatial Impacts	8	4	-	12
Benchmarking and Financial Model Development	8	12	20	40
Financial Analysis	8	16	8	32
Deliverable: Final Business Plan	8	16	8	32
Deliverable: Flexible Financial Model	4	16	2	22
Final Presentation	4	4	4	12
Phase 2 Subtotal Hours	48	80	54	182
Hourly Rate	\$ 300	\$ 185	\$ 150	
Phase I Fee	\$ 14,400	\$ 14,800	\$ 8,100	\$ 37,300

TOTAL HOURS	78	148	132	358
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Phase I Fee	\$ 9,000	\$ 12,580	\$ 11,700	\$ 33,280
Phase 2 Fee	\$ 14,400	\$ 14,800	\$ 8,100	\$ 37,300
Fee	\$ 23,400	\$ 27,380	\$ 19,800	\$ 70,580

We would expect to invoice 50% of Phase I at the start of the project and 50% at completion of Phase I. If including Phase 2, we would expect to invoice 50% at activation of Phase 2, and 50% at final completion.



About AEA Consulting

AEA Consulting is a global firm setting the standard in strategy and planning for the cultural and creative industries. We are known for our candid and impartial advice that draws on deep knowledge of the cultural sector as well as robust research and analytical insight.

For the past 30 years, we have successfully delivered more than 1,200 assignments in 40 countries, helping clients around the world plan and realize vital and sustainable cultural projects.

Our practice areas include:



Planning

AEA is a leader in the planning and delivery of a wide variety of cultural & creative spaces, including cultural districts, mixed-use developments, museums and galleries, performance spaces, multi-disciplinary spaces, parks, and heritage sites. We work closely with clients contemplating new or expanded cultural and civic spaces to help them gain clarity and consensus on their vision and goals, and to understand what is required for long-term operating and financial success. Our service offerings include:

Cultural Master Planning

Concept Development

Feasibility Studies

Business & Operating Plans

Design Briefs

Project Delivery

Strategy

AEA has extensive experience in assisting clients to develop an analytically well-grounded consensus around strategic priorities. Our process toward strategy development focuses on clearly framing the problem, developing criteria for decision-making and evaluation, consulting with stakeholders, and developing realistic, actionable plans. Our service offerings include:

Options Analysis

Policy Development

Investment Strategy

Program Strategy

Partnership Strategy

Strategic Planning

Research and Analysis

AEA grounds everything in robust research and analysis, providing a solid evidence base on which to anchor critical decisions. Our service offerings include:

Market Analysis

Audience Research

Surveys & Focus Groups

Sector Studies

Evaluation

Policy Research

We approach problem solving with curiosity, creativity, and integrity. More information about AEA, including a client list, can be found at www.aeaconsulting.com.



Staff Profiles

AEA's project team for the Byron Carlyle Theater project will be **Daniel Payne**, Managing Principal; **Catalina Casas**, Consultant; and **Bella Stenvall**, Research Analyst.

- **Daniel** will serve as the project lead – he will lead meetings and key interviews, provide quality control for the creation of the financial model and project deliverables.
- **Catalina** will be the project manager – she will coordinate project-related research, conduct data analysis, and detail inputs into the model. She will also lead the creation of the deliverables.
- **Bella** will assist throughout the process with market research and other project-related research, and contribute related content to project deliverables.

The team will be further supplemented as needed by AEA's full-time staff of 15 people, bringing considerable additional skills and experience in the cultural sector.

Daniel Payne Managing Principal

Daniel has a background that merges architecture, design, and business. Since joining AEA, Daniel has applied his skills to strategic and business planning for more than 100 clients, including:

- Developing financial models and business plans for BAM in Brooklyn, the Stavros Niarchos Foundation Cultural Center in Athens, the Huntington Theatre Company in Boston, and The Shed in New York;
- Space planning and capital project feasibility work for Haus der Kunst in Munich, the Powerhouse Workshop in Brooklyn, and CERN in Geneva;
- Facilitating strategic planning processes for the Pérez Art Museum Miami, Jacob's Pillow Dance Festival, and Banff Centre for Arts and Creativity;
- Creating cultural plans for Downtown Brooklyn and Barangaroo in Sydney; and
- Developing new programming and facility concepts for arts organizations such as the Museum of Pop Culture and property developers such as The Howard Hughes Corporation (Pier 17 in New York) and Lai Sun Group (Hengqin, China).

Prior to joining AEA, Daniel worked on exhibitions and installations that appeared in the Center for Architecture, New York Fashion Week, PSI, Storm King Art Center, and the galleries at Columbia University; he was also a part of the New City Reader project at the New Museum, producing a weekly newspaper that focused on changes in urban life. Daniel previously also worked in Citigroup's investment bank, where he advised financial sponsors and their portfolio companies on capital markets and strategic transactions.



Daniel graduated with a Master of Architecture from Columbia University and a Bachelor of Business Administration from the Business Honors Program at The University of Texas at Austin.

Catalina Casas Consultant

Catalina brings experience in strategy, business planning, project management, and qualitative and quantitative research and analysis, on top of degrees in arts management and international relations. At AEA she has worked on projects for the Hirshhorn Museum and Sculpture Garden, Lincoln Road BID in Miami Beach, BAM, and the Sullivan County Land Bank / Broadway Theater. Prior to joining AEA, she was previously part of consulting teams working on feasibility studies and business planning for cultural activations in the Middle East, and other projects where she designed audience journeys, informed strategic plans and organizational models, conducted benchmarking exercises, and developed new arts concepts. She has also led business & market development work covering in North America, Spain, and Latin America.



Catalina also previously worked at the Wilson Center, a think tank in Washington D.C., where she was a program assistant conducting political and economic analysis on Latin America and the United States, and coordinating logistics and budgets for political forums with leading politicians. She has a Master in Arts Management & Administration from SDA Bocconi in Milan and a B.S. from Pontificia Universidad Javeriana in Bogotá.

Bella Stenvall Research Analyst

Bella brings multi-sectoral experience in DEAI, program strategy, project management, policy research, and data analysis, as well as personal experience as an independent movement artist and creative collaborator. Prior to joining AEA, Bella was selected as one of 12 Fellows at the Coro New York Leadership Center. The Coro Fellowship in Public Affairs is a prestigious graduate-level, experiential leadership program to complete projects in a variety of sectors and gain a mastery of cross-sector, adaptive leadership. Through the Fellowship, Bella led research for the Head of Diversity & Inclusion at Bloomberg LP, crafted the Robert Sterling Clark Foundation's first ever Board Education and Engagement Program, and served as a gallery associate at High Line Nine Galleries in the Chelsea Arts District. Bella holds a B.A. in Arabic and Dance, along with a minor in Global Studies, from the University of California, Los Angeles (UCLA). She speaks English and conversational Spanish and Arabic and is a frequent visitor of Little Island (her favorite program being the Music and Dance Festival)



Selected Recent Projects



Lincoln Road BID (Miami Beach, FL) Cultural Plan (2023)

Lincoln Road is one of Miami's most recognizable and pedestrian-friendly areas, home to boutique shops, a variety of cafés and restaurants, and some of Miami's most iconic arts and academic organizations. In hopes of drawing more locals and new visitor segments, Lincoln Road has retained AEA to create a Cultural Plan that will enhance the visitor experience of the Road with a robust program calendar

and implementation plan that will have visitors coming to Lincoln Road again and again.



Broadway Theater Redevelopment / Sullivan County (NY) Land Bank Feasibility Study (2022)

After being vacant for almost three decades, the Broadway Theater in downtown Monticello in Sullivan County, New York, was recently acquired by the Sullivan County Land Bank with the hopes of revitalizing it as a performance space and community anchor. The building includes both a theater space and two retail storefronts. AEA has been

commissioned to conduct a feasibility study to best understand the likely uses for the space, the financial and operational undertakings for the venue, and its impact on the surrounding community.



Atlanta Civic Center / Atlanta Housing (GA) Feasibility Study (2021)

The Atlanta Civic Center, originally opened in 1967 but closed since 2014, is currently undergoing mixed-use redevelopment plans led by the site's owner, the Atlanta Housing Authority. AEA is a part of the team exploring options for cultural activation, especially regarding the Center's existing 4,500 seat auditorium and adjacent Exhibit Hall. AEA's scope of work includes a market

research assessment, stakeholder consultation, and analysis of emerging trends to identify the ways that the Civic Center could support a vibrant and equitable cultural community in Atlanta.





Foundation for Jones Hall (Houston, TX) **Feasibility Study (2018)**

AEA was hired by the Foundation for Jones Hall to create a strategic business plan in conjunction with a planned major renovation of Jones Hall. Our work involved exploring potential programming scenarios and constructing a financial model that projected financial outcomes based on an understanding of the current Houston marketplace and likely future operating scenarios.



City of Laguna Beach (CA) **Creative Placemaking Assessment (2018)**

AEA worked with the City of Laguna Beach to analyze the need for and possible development of a multi-use and flexible cultural infrastructure option. Our creative placemaking assessment helped Laguna determine the city's capacity for such an endeavor, the kinds of organizations and audiences that might benefit, and the feasibility and sustainability of the project. Our work entailed extensive idea generation, research, and benchmarking; community and stakeholder consultation; analyses of the local and regional facility landscape; site assessments; and financial and operational modeling.



City of Santa Clarita (CA) – Outdoor Amphitheater **Outdoor Amphitheater Feasibility Study (2018)**

AEA, in partnership with architects John Sergio Fisher & Associates, was appointed by the City of Santa Clarita to deliver a feasibility study for a new outdoor amphitheater. An outgrowth of the City's 2016 Arts Master Plan, the study gathered input from City Council and other City leadership, the Arts Commission, the arts community, and the wider public to identify the key strategic drivers behind an amphitheater project; analyze the likely level of demand; and investigate options for programming and location. The resulting study discusses the optimal requirements of a successful project – including size and specifications, governance and operating model – and outlines the likely financial implications.



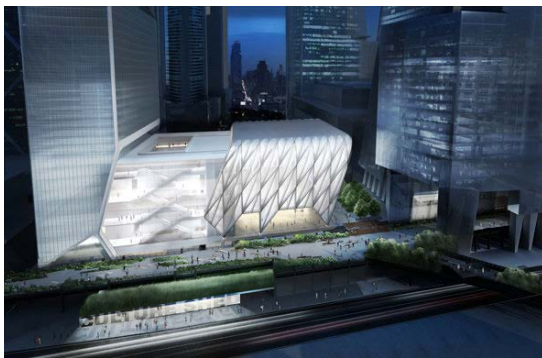


Huntington Theatre Company (Boston, MA) **Operating Plan (2017)**

In May 2016, a local development company led by John Matteson agreed to purchase the Boston University Theatre complex. Soon after, the Huntington Theater Company announced that it had reached an agreement-in-principle with the developer who purchased the complex that would save the historic theatre and allow the Huntington to remain in its mainstage home of 34 years for

an annual rent of \$1. As a part of this agreement, the Huntington gained exclusive, long-term control of the historic theatre itself and the backstage service wing to its west, which it will fully renovate at its own expense. The Huntington also aims to expand its lobbies and other public spaces amenities into new shell and core space to be provided by the developer in a new building to be constructed, while the existing scenic, paint and prop shops that now occupy those areas will be relocated to another location in the Boston area.

To facilitate the creation of a venue that fully leverages the opportunities available to the organization, AEA worked with the Huntington team to further develop a business plan for this newly renovated space. AEA initially led a series of workshops with the Huntington staff in order to learn from best practice and understand trends from across the cultural sector. Following these, AEA developed the financial model it previously built for the organization, updating it for new developments and opportunities as the Huntington moves forward, as well as assisting the organization in understanding the critical path for the project.



The Shed (New York, NY) **Organizational Planning and Financial Modeling (2017)**

AEA worked with The Shed (formerly known as Culture Shed) to create a financial model to test its programming and operations strategy, as construction on the unique building in the Hudson Yards in Manhattan moves toward its completion in 2018. The Shed is a highly innovative concept: it is genuinely a new type of arts building – designed imaginatively to reflect changing patterns of

artistic creation and changing ways in which audiences want to engage with and enjoy culture. Its programming will similarly reflect a unique vision that entails a high level of commitment to creating new work. Our process aims to work iteratively with the staff and Board to create a detailed understanding of the projected risk profile and financial impacts of programming and operations in the new space.

This work builds upon the concept development plan for The Shed that AEA delivered to Hudson Yards Development Corporation in 2007.





Ballet Memphis (Memphis, TN) Feasibility Study (2014)

AEA helped Memphis' leading dance company develop plans for a new facility that would more deeply connect the organization with its community and transform its company into "citizen dancers." Work included a refinement of the mission and program of the proposed expansion, development of the facility's business model, including a thorough analysis of demand and market trends in the Greater Memphis region, and the creation of a preliminary space program. As part of the process, AEA

undertook interviews with staff, Board, leaders at other peer arts organizations, and the principle arts funders in Memphis, and in addition developed in-depth case studies of best practice at innovative dance institutions nationally.



Philadelphia Film Society (Philadelphia, PA) Feasibility Study (2015)

AEA was hired by the Philadelphia Film Society to evaluate the organization's potential purchase of the Prince Music Theatre, a 450-seat venue in Center City Philadelphia. PFS had hosted events in the venue prior to its closure in 2013 and believed it was an opportunity to expand its reach and maintain an important venue for other Philadelphia arts organizations. In order to further assess the opportunity for PFS, AEA reviewed historical

PFS and Theatre documents and toured the space; interviewed key staff, potential end users and funders; researched the Philadelphia market for film, performing arts, and corporate and life event rental spaces, as well as broader market trends for the potential end user segments and benchmarking performance of similar facilities in major metropolitan areas; and created a financial model in order to calculate a base case of projected income and expenses, as well as to perform sensitivity analyses around the base case. The purchase of the Prince was completed by PFS in March 2015.



Selected Client List

Museums, Visual Arts & Heritage

Albright-Knox Art Gallery
Architecture Foundation
Aspen Art Museum
The Barnes Foundation
Benaki Museum
Benjamin Franklin Museum
British Museum
Children's Museum of Manhattan
China Institute
Creative Time
Dallas Museum of Art
The Design Museum
Detroit Institute of Arts
The Drawing Center
El Museo del Barrio
Florence Nightingale Museum
The Frick Collection
Fundación Televisa
Georgia O'Keeffe Museum
Glenbow Museum
Haus der Kunst
Hispanic Society of America
Imperial War Museum
Isabella Stewart Gardner Museum
The Manchester Museum
Migros Museum
Milwaukee Art Museum
MIT List Visual Arts Center
MOCA Cleveland
Museum of American Finance
Museum of Applied Arts and Sciences
Museum of Fine Arts Budapest
Museum of London
Museum of the City of New York
Museum of Pop Culture
National Gallery London
National Gallery of Australia
National Gallery of Victoria
National Museum of Australia
National Museums and Galleries of Northern Ireland
National Museums Liverpool
National Trust London
Pérez Art Museum Miami
Philadelphia Film Society
Philadelphia Museum of Art
Public Art Fund
Rubin Museum of Art
Saatchi Gallery
SculptureCenter
Serpentine Gallery
Sir John Soane's Museum
State Tretyakov Gallery
Statens Museum for Kunst
Tribeca Film Institute
Victoria and Albert Museum
Walters Art Museum
Whitechapel Art Gallery
Wolfsonian Museum

Performing Arts & Festivals

Alvin Ailey American Dance Theatre
Arts Centre Melbourne
Ballet Memphis
Banff Centre for Arts and Creativity
The Barbican Centre
Bethel Woods Center for the Arts
Boston Symphony Orchestra
Carnegie Hall
Cheltenham Festivals
The Cleveland Orchestra
Edinburgh Festivals
English National Opera

The Esplanade
Foundation for Jones Hall
Houston Grand Opera
Huntington Theatre Company
Jacob's Pillow
Jazz at Lincoln Center
Kennedy Center for the Performing Arts
The Kimmel Center
Kronos Quartet
Los Angeles Music Center
The Lowry
Massey Hall and Roy Thomson Hall
New Orleans Jazz Orchestra
New York City Center
New York Philharmonic
Orchestra of St. Luke's
Philadelphia Orchestra Association
Roundabout Theatre Company
Royal Academy of Dance
Royal Albert Hall
Royal Philharmonic Orchestra
Royal Shakespeare Company
San Francisco Opera
SF Jazz
Shakespeare's Globe
The Shed
Signature Theatre Company
Society of London Theatre
Songwriters Hall of Fame
Symphony Space
UK Theatre
Wallis Annenberg Center for the Performing Arts

Education & Literary Institutions

Academy of American Poets
American Academy in Rome
Aspen Institute
Bishopsgate Institute
Boston University
Brooklyn Public Library
Case Western Reserve University
Central School of Ballet
CERN
City and Guilds of London Art School
City University of New York
Columbia University
Courtauld Institute of Art
Emerson College
London Academy of Music and Dramatic Arts
Poets House
Princeton University
Royal College of Art
San Francisco Art Institute
University of Cambridge
University of Southern California

Foundations & Trusts

Andrew W. Mellon Foundation
The Cleveland Foundation
Camargo Foundation
Clare Duffield Foundation
Cyprus Cultural Foundation
Donis Duke Charitable Foundation
Egmont Foundation
The Ford Foundation
Gordon Parks Foundation
Herb Alpert Foundation
International Music and Art Foundation
J. Paul Getty Trust
James Irvine Foundation
John L. and James S. Knight Foundation
Louise T. Blouin Foundation
Pew Charitable Trusts

Powerhouse Workshop
Shafik Gabr Foundation
Stavros Niarchos Foundation
Three Lakes Cultural Trust
William Penn Foundation

Government

Amiri Diwan, Kuwait
Arts Council England
Arts Council of Wales
Arts New South Wales
Australia Council
Barangaroo Delivery Authority
British Council
City of Laguna Beach
City of Santa Clarita
City of Sunny Isles Beach
Department for Culture, Media and Sport, UK
Department of Prime Minister and Cabinet, Australia
General Culture Authority of Saudi Arabia
Hampshire Cultural Trust
Heritage Lottery Fund
Houston First Corporation
Hudson Yards Development Corp.
Hungarian Tourism Agency
Infrastructure New South Wales
Khazanah Nasional Berhad
Lower Manhattan Development Corp.
National Park Service
Nesta
Netherlands Ministry of Culture
Philadelphia Investment and Development Corp.
Regional Facilities Auckland
Salford Cultural and Place Partnership
Scottish Arts Council
Trust for Governors Island
U.S. Dept. of Housing and Urban Development
UK Trade & Investment
Westminster City Council

Commercial

Alghanim International
Alloy LLC
Auerbach Pollock Friedlander
Battersea Development Company
Boston Consulting Group
Brookfield Financial Properties
CassonMann
Foster + Partners
Genesis Property Holdings
Goldman Sachs Urban Investment Group
Henderson Land Development Corp.
Houston First Corporation
The Howard Hughes Corporation
KLCC Property Holdings
KPMG
Lai Sun Group
Luen Mei Group
Lodha Group
NBCUniversal
OMA
PETRONAS
Vulcan, Inc.
The Witkoff Group
Zaha Hadid Architects

For a full list of projects and clients, please visit: <https://aeaconsulting.com>



Appendix: Standard Terms & Conditions

This proposal remains valid at the fees quoted for 45 days from the date on this document; thereafter, AEA reserves the right to amend or cancel it.

Payment

Payment is due within 30 days of the date of invoice, and AEA reserves the right to charge interest at 1.5% per month on amounts outstanding more than 35 days from date of invoice.

Confidentiality

To protect the interest of our clients, all AEA staff are employed under a service contract which reinforces their professional obligation not to disclose information confidential to the Client.

AEA agrees that any information received by it during the furtherance of the Agreement that concerns the personal, financial, or other affairs of the client and its affiliates will be treated in full confidence, and unless AEA shall first secure the client's written consent, it shall not publish, disclose, or use, or authorize any other person or entity to publish, disclose or use, at any time before, during, or subsequent to the term of the Agreement, any such confidential information.

Information

The Client shall make available to AEA staff all information which we may reasonably require for the effective execution of our work in a timely manner.

Ownership and Use of Documents

All documents and materials of every kind whatsoever, and in whatever medium expressed prepared by AEA in connection with any aspect of the Project (including any constituent project or shared project), and all rights (including copyright, trademarks, trade names, logos, rights of use, and other proprietary rights) therein, shall be deemed "works for hire" and are hereby assigned to Client and shall remain the sole property of Client. This provision shall not apply to any previously created works or materials for which there is an existing rights holder.

AEA shall retain ownership of and all rights in perpetuity to all research and proprietary methodologies employed during the performance of the services.

Governing Law

The Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Early Termination

Without cause, Client may terminate the Agreement by giving fourteen (14) days written notice to AEA of its intent to terminate without cause. The parties shall deal with each other in good faith during the 14-day period after any such notice of intent to terminate without cause has been given. In the event of termination without cause, AEA is entitled to payment of all outstanding amounts previously billed and due in accordance with the Agreement, plus payment for unbilled services performed properly and expenses incurred therewith up to the effective date of termination.

With reasonable cause, Client may terminate the Agreement upon the giving to AEA written notice of termination for cause. AEA shall have five (5) days to cure the breach; if no cure is reached, then the Agreement will be terminated as of the date of notice. Reasonable cause shall include material violation of the Agreement or any act exposing Client to liability to others for personal injury or property damage. In the event of termination for cause, the Client shall not be responsible for any further payments of fees or expenses to AEA.

Non-Compete Provision

The Client will not employ or engage the services of any employee or associate of AEA or its affiliates concerned with the assignment either during the assignment or for 12 months after completion of the assignment. AEA employees and associates are also under agreement not to seek or accept employment or engagement with our Clients.

Content Warranty

All conclusions, forecasts and recommendations in any proposal, report, other documents, or presentations are made in good faith and on the basis of information before us at the time and are not to be deemed in any circumstances a representation undertaking, warranty or contractual condition. With respect to the foregoing, in no event shall either party hereunder be liable to the other for consequential, incidental or special damages, or lost profits of any nature, whether based on breach of contract, warranty, or negligence



Thank You!



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