

Avalon Theatre Advisory Committee

September 23, 2008

Item 1: Meeting Called to Order by Ron Beach at 8:04 a.m.

Roll Call

Committee Members Present: Ron Beach
Andre' van Schaften
Stephan Schweissing
Stephen Thoms
Kathy Jordan
Greer Taylor

Committee Members Absent: Patti Hoff

Guests: Michael Schwerin, Grand Junction Symphony

Visitor & Convention Staff Present: Debbie Kovalik Director of the Visitor & Convention Bureau, Two Rivers Convention Center & Avalon Theatre
Tim Seeberg, TRCC & Avalon Theatre General Manager
Chasity Gray, Administrative Clerk

Item 2: Approve Minutes.

Stephan Schweissing moved to approve the September 9, 2008 Avalon Theatre Advisory Committee minutes. Stephen Thoms second. Correction to August 19th item 5 line 4 the word "Kierkegaard" should be "Chamberlain Architects".

Motion approved by Avalon Theatre Advisory Committee: Yes 6 No 0

Item 3: Progress Report – Formal Commitment and Presentation process between Avalon Theatre Advisory Committee and Grand Junction Symphony Venue Committee/GJSO Executive Committee & Overall Board – Greer Taylor Taylor/Kirk Gustafson/Tim Seeberg

Stephan Schweissing asked Greer Taylor to explain the agenda item. Greer Taylor stated that Tim Seeberg and herself met with a few of the symphony's venue committee members to get a better feeling on where they stood on the project and what information do they need that is lacking. Greer Taylor discussed addressing a letter to the Grand Junction Symphony Orchestra (GJSO) venue committee, which outlines a plan of the renovation/expansion project and should be intended to ask the GJSO for their overall support of the plan. Tim Seeberg commented that Steven Bolter was up to speed on at least what the Avalon Theatre Advisory Committee (ATAC) wants to do with the project going forward. Since this meeting, a GJSO venue committee and

GJSO executive committee meeting has taken place. Michael Schwerin stated that a formal resolution was passed to assist the ATAC with this project at the symphony's last board meeting. Greer Taylor passed around the letter that was drafted. Mr. Seeberg helped clarify that the letter, written on behalf of the ATAC, asks for support from the symphony in a more formalized fashion, in hopes that the symphony would respond equally formally. Ron Beach stated that a letter of similar stature from Karen Hildebrandt of the GJSO has been received. Mr. Schwerin clarified that the Grand Junction Musical Arts Association (GJMAA) is the official name in which the Symphony's board resides under. Mr. Beach read aloud the letter which stated the GJMAA supports the ATAC as they move forward with the current Avalon expansion/renovation project. Andre' van Schaften asked to have clarification on all of the organizations involved with the GJMAAA. Michael Schwerin explained the hierarchy of the GJMAA organization. Mr. Schwerin stated that on October 6th the GJSO venue committee is planning on meeting with members from the ATAC to start working toward a formal plan and proposal of the project. They are not looking for specifics right now, but rather finding out how the partnership between the GJSO and ATAC is going to be formed. Stephan Schweissing suggested that everyone takes a few minutes to read the letter proposed by Greer Taylor so that a resolution could be passed at today's meeting rather than waiting until the next meeting. Andre' van Schaften referring to the content of the letter stated that Kierkegaard should be listed followed by the fund raising feasibility study summary. Greer Taylor also stated she was going to visit with the Rich Keller of Shaw Construction to verify the monetary figures outlined in the original renovation/expansion proposal. Michael Schwerin agreed that there seem to be conflicting numbers floating out there as to how much the project will cost and that the numbers be double checked. Stephen Thoms stated he liked that the \$18 million price tag was clearly proposed in the letter. Stephen Thoms stated he would be taking this letter to the DDA board this week and can imagine the possibility that some DDA funds being put forth toward the Avalon project. Greer Taylor stated Rich Keller at Shaw Construction is formulating a time line of ground breaking to project completion.

Stephan Schweissing moved that with the few slight amendments discussed in this meeting that this letter is sent to Karen Hildebrandt at the GJSO. Andre' van Schaften second.

Motion approved by Avalon Theatre Advisory Committee: Yes 6 No 0

Item 4: Progress Report – Enterprise Zone; and Transfer of 501c3 from Avalon Foundation to Avalon Theatre Advisory Committee – Kathy Jordan

Debbie Kovalik talked to the City of Attorney. A quorum vote is needed from the Avalon Foundation to dissolve the foundation and move the 501c3 over to the ATAC. Kathy Jordan stated that when Ed Lipton gets back to town, which will be sometime in October, the Avalon Foundation will call a meeting in order for such a vote to take place. Kathy Jordan also stated that Diane Admire and herself could call a meeting if Ed Lipton does not organize the meeting and request Ed's presence at that time. Kathy Jordan stated that having this motion passed should not be a problem. Debbie Kovalik stated that John Shaver would be willing to assist the Avalon Foundation with the proceedings, should it be necessary. Kathy Jordan discussed the benefits of being part of an enterprise zone, and stated that donated monies need to be in hand in order to take advantage of tax credits for the donors. Andre' van Schaften asked how this would help the Avalon Theatre Advisory Committee? Kathy Jordan stated that donors receive a 25% tax credit

if they give money to a 501c3 non-profit organization. Debbie Kovalik stated this could draw more donations in. Ms. Jordan stated she will meet with John Shaver. Tim Seeberg asked if Kathy Jordan was in touch with Ed Lipton via email. Kathy Jordan stated she will contact Ed Lipton as soon as this meeting is over again. Ron Beach asked if donors always receive a 25% tax credit no matter the amount? Kathy Jordan confirmed, yes.

Item 5: Progress Report and Discussion – Preparation of draft letter to Fund Raising Feasibility Study interviewees/participants – Andre' van Schaften/ Tim Seeberg

Ron Beach will email a copy of Third Sector Innovation's (TSI) work to everyone on the committee. Stephen Thoms asked that he receive a copy ASAP so he can use it for his board meeting. Andre' van Schaften asked if there was a time line to send a letter to those that participated in the fund raising study. Tim Seeberg suggested that a letter be drafted by the ATAC thanking those who participated and share a summary of what the findings of the study were. Debbie Kovalik agreed. Ron Beach suggested that Illene Roggensack of TSI send out the letter since she has all of the addresses of the participants. Tim Seeberg and Debbie Kovalik stated that it was out of the scope of the duties TSI has been asked to perform and that it is more appropriate for the letter to come from the ATAC. Ron Beach would then ask for those addresses and the ATAC would send out the letter. Andre' van Schaften mentioned that he had asked Illene Roggensack how long the board should wait on starting the fundraising now that the fund raising study is completed. The answers to that depend on a variety of factors. Debbie Kovalik stated that it would be a good idea that we focus on other pieces of the puzzle that need to be addressed before even considering the actual fund raising processes.

Item 6: Progress Report and Discussion – Preparation for November Presentation to City Council

***Stephan Schweissing – Discussion with Lenna Watson & Christy Whitney**

Stephan Schweissing met with Lenna Watson as Lenna was a big part of the Hospice fund raising project. From these discussions, Mr. Schweissing underscored that the tax credit benefit was a very good tool to help boost fund raising. Lenna Watson feels that the Avalon has such a historical value and that a reasonable fundraising effort isn't going to be a huge challenge if administered properly. The most important thing to do, according to Ms. Watson is to find two or three people that are intensely committed to the project and allow them to run the process. Ms. Watson felt that an amount such as \$18 million was going to take far more than 2-3 years to achieve, assuming it is achievable. It is more likely a five year time frame at the very least. Stephan Schweissing feels that the ATAC needs to perform a detailed analysis of what they are and should be doing to carry the project. Stephan Schweissing was unable to meet with Christy Whitney prior to today's meeting. Ms. Watson is unable to be a part of this project; however she did give names of some of those who would be a good fit. Stephan Schweissing suggested that maybe both Christy Whitney and Lena Watson attend a future Avalon Theatre Advisory Committee meeting. The ATAC asked that Stephan Schweissing ask Christy Whitney to attend the next meeting in October. Discussion continued regarding Lenna Watson's suggestions on how to begin fundraising. Stephan Schweissing stated that the ATAC needs to realize this project, if successful, will not be complete in 2008 but more like 2012 and continue beyond. Andre' van Schaften asked how much does the ATAC need to raise before building begins. Debbie Kovalik stated that a comprehensive, detailed and thorough plan would need to be in place before even beginning to seek donations. Stephan Schweissing stated he would follow up

with Christy Whitney and extend the invitation to her attend the October meeting.

***Debbie Kovalik – Discussion with Jodi Romero & John Shaver**

Debbie Kovalik stated she will be meeting with Jodi Romero today and will inquire if there is any input she may have as to what kind of financing vehicles/avenues may be available that the ATAC may eventually be able to take advantage of going forward. Ms. Kovalik suggested that the ATAC take a look at the process model that led up an expansion of Two Rivers Convention Center. Debbie Kovalik further suggested three key items that the ATAC needs to come up with as they go forward. The first item is a financial operations analysis, which would include comparisons to other similar venues. Ms. Kovalik stated that the second piece is an analysis of the market we're operating in. This analysis would take into account the type of events that would be brought into the Avalon and the amount of revenue each event could bring in. All these pieces contribute to the overall financial analysis and proforma. The third item would need to be a competitive analysis of the market. This includes an analysis of pricing at other venues of similar size and scope, ticket sales expectations, etc. Stephen Thoms asked if Laurie Kadrach was supportive of this plan? Debbie Kovalik could not answer that directly but confirmed that City support is possible if the appropriate level of community support was evident. Debbie Kovalik stated that if the City would give money to a project like this it would be under certain conditions and circumstances. Discussion continued in regards to the three items Debbie Kovalik suggested what needed to be completed. Stephan Schweissing asked if the occupancy and financial projections for the Two Rivers Convention Center remodel turned out to be correct or close to correct. Debbie Kovalik stated that the results are very close. Michael Schwerin and Tim Seeberg stated that they have contacts in the theatre consulting world that could help in steering the ATAC in the right direction with regards to facility feasibility studies. Debbie Kovalik suggested that the ATAC could complete certain segments of this project on their own and possibly contract out other portions. She also suggested that any meeting with City Council on these topics might best be scheduled no earlier than the first part of 2009 given the Council's full agenda and set of current priorities.

***Stephen Thoms – Downtown Development Authority support of Avalon Project at last Board Meeting**

Stephen Thoms suggested that the Avalon Theatre is one of Downtown Development Authority's top priorities in the scope of downtown's future. Stephen Thoms suggested the Downtown Development Authority and City might beneficially fund the facility feasibility studies, as that the study could really help them focus on where the ATAC needs to go next in the whole scope of the project.

Item 7: Other Business

Michael stated that they have a concert tonight. Offered free tickets. 243-6877.

Item 8: Next Meeting Date, Tuesday October 14, 2008 8:00am – 9:30am at Two Rivers Convention Center

Item 9: Items for Next Meeting

Ron Beach will send reminder for agenda items due by October 6th by 3pm.

Item 10: Adjourn

Stephen Thoms motioned to adjourn the Avalon Theatre Advisory Committee meeting. Stephan Schweissing seconded. Motioned approved. The meeting was adjourned at 9:29am.

Unanimously Approved:

Yes 6

No 0

Respectfully submitted,

Chasity Gray

Administrative Clerk, Two Rivers Convention Center and the Avalon Theatre