



## CLARK STATE COLLEGE CLARK STATE PERFORMING ARTS CENTER OPERATIONAL ANALYSIS

### Prepared for:

Dr. Jo Blondin  
President  
Clark State College  
P.O. Box 570  
Springfield, OH 45501-0570

### Prepared by:

**Keen Independent Research LLC**  
701 N 1st Street  
Phoenix AZ 85004  
303-385-8515  
[www.keenindependent.com](http://www.keenindependent.com)

**Report**  
**September 30, 2022**



# TABLE OF CONTENTS

---

## 1. INTRODUCTION AND EXECUTIVE SUMMARY

Background ..... 1-1

Executive Summary..... 1-2

## 2. FACILITY OVERVIEW

Facility Condition..... 2-3

Organizational Chart ..... 2-3

## 3. FINANCIAL HISTORY

Profit and Loss..... 3-4

Income Ratio ..... 3-5

Fundraising and Endowment ..... 3-5

## 4. TICKETING ANALYSIS

Revenue ..... 4-8

Reach..... 4-8

Ticket Buyer Demographics ..... 4-8

## 5. MARKETING ANALYSIS

Market Areas..... 5-10

Demographics ..... 5-13

Spending and Market Potential ..... 5-15

Demand Projections..... 5-16

## 6. UTILIZATION ANALYSIS ..... 6-19

## 7. PROGRAMMING ANALYSIS

Current Programming ..... 7-21

Programming Recommendations ..... 7-22

## 8. RENTAL RATE ANALYSIS

Daily Rates ..... 8-24

## 9. BENCHMARKS ..... 9-25

## 10. BUSINESS PLANS AND PRO FORMA

“Venue Team” Model ..... 10-26

Estimated Utilization ..... 10-26

Organizational Chart..... 10-27

Pro Forma ..... 10-28

## 11. CONCLUSIONS AND RECOMMENDATIONS

Conclusions..... 11-29

Recommendations..... 11-29

# 1. Introduction and Executive Summary

In the spring of 2022, Clark State College (Clark State) engaged Keen Independent to conduct a market and operational analysis of the Clark State Performing Arts Center (PAC) located in downtown Springfield, Ohio. The goal of the analysis is to provide a model to sustain long-term community and academic impact, improve facility operations, stabilize finances and reduce overall Clark State PAC subsidy.

## Background

Built in 1993, the Clark State Performing Arts Center is situated on 5.5 acres in downtown Springfield, Ohio. The 86,000-square-foot facility features space designed and equipped to accommodate musical performances, theatre presentations, conferences, business meetings and other activities. The PAC's Kuss Auditorium, named after Springfield business leader and fundraiser Richard "Dick" Kuss, has hosted a variety of national touring acts, regional and local arts and cultural performances, and college events throughout the years.

The PAC is located adjacent to Clark State's Hollenbeck Bayley Creative Arts and Conference Center (HBC). Consisting of almost 27,000 square feet on two floors, the HBC has been designed with flexibility in mind with academic, community and rental programming. The Pavlatos Grand Hall in the west wing will accommodate up to 500 people at round tables for a meeting, dinner or performance, and up to 1,000 in a theatre seating format. This capacity is not currently available anywhere else in the Springfield downtown area.

**Current challenges.** The PAC and HBC have faced many challenges over the years with current (September 2022) economic conditions and the COVID-19 pandemic having had a significant effect on operations. Springfield has seen a decline in population since the 1970s, increased saturation of the performing arts market by nearby cities and has likely been impacted by national declining trends in performing arts demand. Springfield may also be faced with decreasing donor capacity.

1. Clark State Performing Arts Center exterior and sculpture garden



Source: Keen Independent Research

# 1. Introduction and Executive Summary

---

## Executive Summary

An executive summary of Clark State PAC market and operational analysis findings is presented below.

**Facility condition.** The PAC is a 30-year-old building still in good condition. It has been well maintained and cared for. It is a functional facility with quality amenities and useful technology. The exterior aesthetic of the PAC is appealing. However, the interior appears very dated and has received limited updates since its construction.

**Market analysis.** Over 100,000 people live within the primary market of the PAC, which is a positive indicator for cultural and performing arts demand. However, the market is also likely saturated by Dayton, Columbus and Cincinnati offerings which are near Springfield. Demand forecasts show a slight decline in demand over the next 30 years due to limited growth in area population.

**Historical financials.** The PAC has seen limited growth of revenue as compared to expenses over the past ten years with an increasing revenue deficit subsidized by Clark State. At its peak in FY2019, PAC deficit was over \$700,000 in a single year (considered subsidy). When considering the challenging market conditions discussed earlier, one could argue financial success is impossible. Though the market poses a challenge, the PAC's financial struggles are more likely due to the following factors: poor audience interest in presenting series programming; disadvantageous deal structures for touring productions; low rental rates and ticketing fees; and limited opportunities for fundraising and sponsorship support. The economic effects of COVID-19 have further distressed financials, which is typical for performing arts centers nationally.

**Programming analysis.** Clark State presenting series and Springfield Arts Council programming has generated some success over the years

but is likely missing opportunities for improved attendance numbers. Attendance numbers are regularly dipping below industry break-even benchmarks. Future audience growth is likely dependent on changes in programming that focuses efforts on reflecting local demographics and interests on stage.

**Business plan and pro forma.** Keen Independent developed a business plan and pro forma to help guide Clark State in its decision-making regarding the PAC and HBC. Recommendations include:

- Combining PAC and HBC operations into a “Venue Team” model where staff focus on the entire college venue portfolio;
- Hiring a General Manager to oversee PAC and HBC operations;
- Increasing part-time staffing pool to increase facility performance and customer service;
- Reducing Clark State College subsidy of PAC and HBC over a 4-year time period;
- Iteratively expanding programming with a focus on sustainable revenue growth;
- Increasing rental rates and ticketing fees to better reflect regional median facility costs;
- Increasing fundraising through reasonable donor and sponsorship goals; and
- Pursuing local, state and federal support for PAC and HBC operations.

If recommendations are effectively implemented and order-of-magnitude pro forma budget forecasts prove accurate, the PAC and HBC together could require substantially less subsidy from Clark State, dropping from \$700,000 of subsidy in FY2019 to \$300,000 of subsidy in FY2027. Community and academic impact would be maintained in this model.



## 2. Facility Overview

---

The PAC is comprised of:

- Kuss Auditorium (1,552-seat proscenium-style theater);
- Turner Studio Theatre (175-seat black box-style theater);
- Front-of-house and backstage space;
- Office space;
- Community Room; and
- Academic instruction space.

### Facility Condition

While the PAC is nearly 30 years old, it is in reasonably good condition. Renovations have focused on maintaining the facility and making minor modifications to utility and flow. The building has been well cared for and appears to have no major mechanical or structural issues but may require substantial future renovation as it continues to age.

**Aesthetic.** The exterior of the PAC has a civic/academic post-modern aesthetic. The interior of the PAC, when compared to contemporary benchmarks, is dated in appearance and concept. Color and material choices and building layout (such as the inclusion of a grand coat closet and red oak furnished board room) are very reminiscent of a 1990's aesthetic and do not appear to have been updated heavily since building opening. This aesthetic may already have had a chilling effect on rental utilization and could further hamper overall building utility in the years to come. Many performing arts centers across the country face similar issues and require significant renovations to continue attracting audiences and maintain usefulness.

**Cleanliness and efficiency.** The PAC appears to be clean and tidy throughout the building. A few functional spaces such as the light booth and sound booth could be better organized, which is typical for

well-used performing arts centers. Storage did not appear to be a major issue, which is unusual in performing arts centers. The stage floor is hard wood and does not appear to be regularly sanded and repainted.

**Access.** The PAC appears to have a reasonable amount of parking spaces with potential for dispersed overflow parking. Loading and unloading by tours and clients is conducted in the loading dock area. The loading dock ceiling height is low and not industry standard as compared to contemporary benchmarks. It was reported by a Clark State staff member that trucks struggle to back into the loading dock and must conduct additional maneuvers when parking.

Proximity to the Clark State College main campus is a challenge for the PAC as students using the facility must drive from campus to the PAC for classes and performances. This has led to less academic utilization of the PAC over time.

### Organizational Chart

The PAC has a typical organizational chart for a college performing arts center. Leadership is currently comprised of a vacant Executive Director position, which reports to the Clark State College Vice President of Marketing, Diversity and Community Impact. A team of theater and conference center professionals report to the Executive Director in various venue management and production roles.

**Shared services.** The organizational chart does not include typical 501c3 or management company operated performing arts center positions such as a Director of Marketing, Director of Education, Director of Development, General Manager, Sales Manager, Business Manager, or Event Manager and is heavily focused on operations. It is likely that Clark State College uses a shared services model where support for the PAC comes from college administration.

### 3. Financial History

Keen Independent reviewed the PAC’s financial information for the last 10 fiscal years.

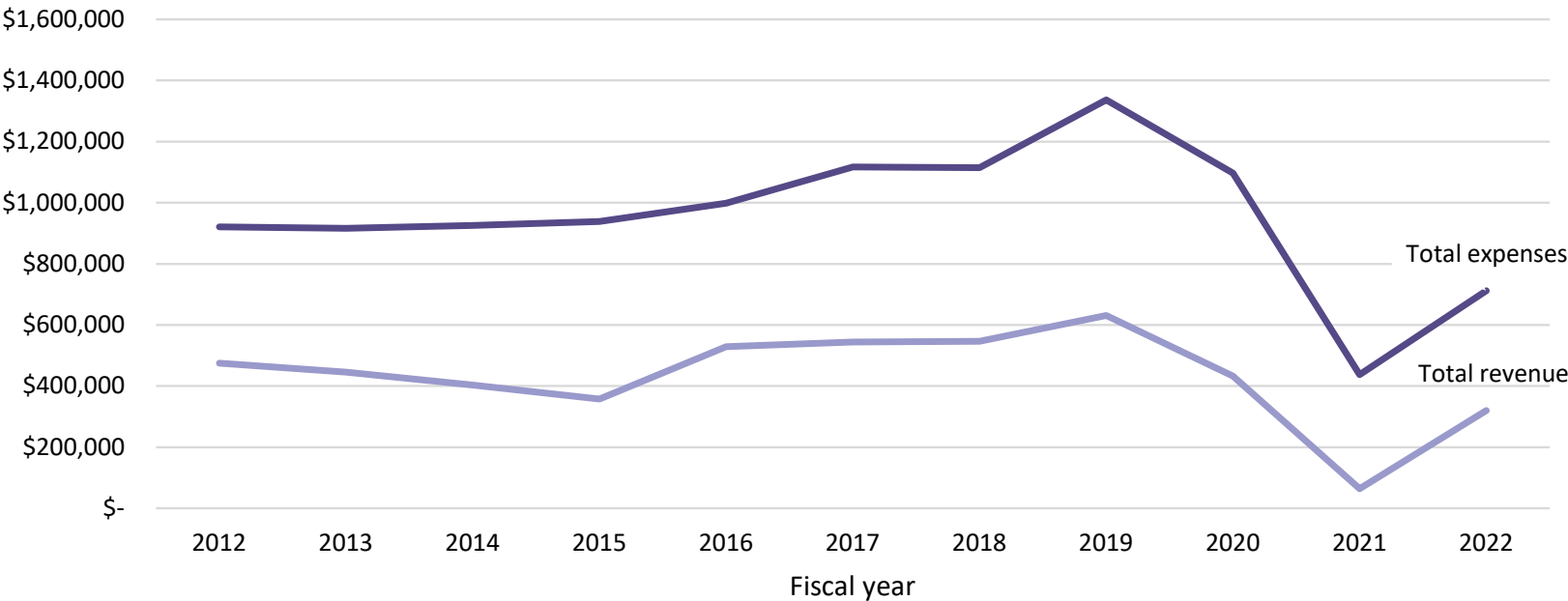
#### Profit and Loss

The PAC has been operated with a relatively low budget when considering its configuration, scope and purpose. Many benchmark performing arts centers of a similar size operate with two to three times the expenses of the PAC. This may be due to shared services provided by Clark State College. A reduction in programming and utilization over the years may also explain the low expenses. See figure 2 for PAC budget history.

**FY2019 and FY2020 actuals.** Clark State PAC reported \$631,223 in gross revenue and \$1,336,478 in expenses with a total loss of \$705,255 in FY2019. Additional sponsorship revenue and expenses and fundraising revenue and expenses were reported as well. In the projections for 2022, sponsorship revenue and expenses and fundraising revenue and expenses are balanced which indicates that the revenue is used to offset expenses.

The PAC reported \$432,307 in gross revenue and \$1,096,987 in expenses with a total loss of \$664,679 in FY2020. Additional sponsorship revenue/expenses and fundraising revenue/expenses were reported as well.

2. Comparison of PAC expenses and revenues, FY2012–FY2022



Source: Clark State College.

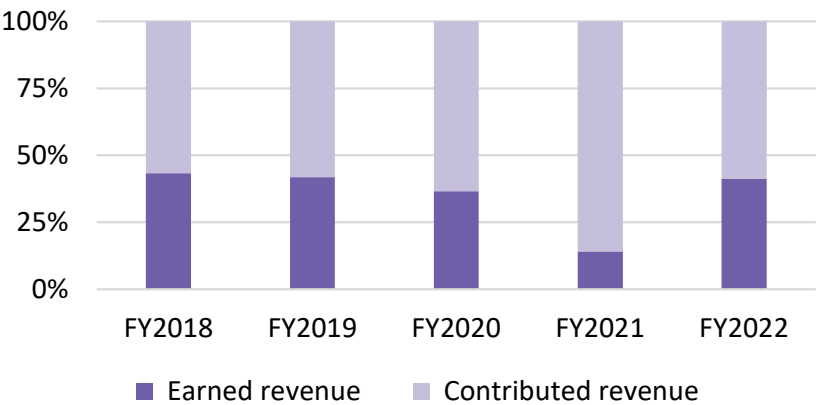
### 3. Financial History

#### Income Ratio

A standard key performance indicator (KPI) in non-profit finance is “earned to contributed income ratio.” Applying this ratio to the PAC is difficult because it is unclear exactly how all dollars are used and accounted for due to the unusual accounting of sponsorship and fundraising dollars (likely due to the separation of the foundation from PAC operations). Shared college services are also not accounted for.

Except for fiscal year 2021, the PAC tends to operate in a ratio of about 40:60 earned to contributed income when treating Clark State funding as a contributed income subsidy (see Figure 3). Healthy performing arts center models tend to have about 45 percent to 55 percent of their income as earned. Nearly all PAC contributed income is coming from Clark State College with very limited income generated from federal, state or local grants, hotel occupancy taxes, fundraising or sponsorships. This puts a heavy burden on Clark State.

3. Earned to contributed income ratios for the PAC, FY2018–FY2022



Source: Clark State College.

**Shared services.** In addition to direct financial support, Clark State administration estimates an additional 30 percent of unaccounted “shared service expenses” such as IT, HR, security, finance and marketing being contributed directly to the PAC from the college.

**College benefit.** While Clark State provides substantial direct and shared service subsidy to the PAC and HBC, the college does receive a benefit when considering academic utilization, college event programming and enhanced community profile. Financial value has not been calculated for these benefits but are important to consider when discussing the future of the PAC and HBC.

#### Fundraising and Endowment

Clark State College maintains a separate foundation to support capital improvements, scholarships, programming and ongoing operations. A specific fund has been assigned to the PAC. As of early 2022, this fund has a balance of about \$3.7 million. This fund has been built up through a combination of fundraising efforts conducted by Clark State College and Friends of PAC as well as through endowments set up by donors including Richard L. Kuss and Barbara Kuss.

**Sustainability.** At \$3.7 million, the endowment cannot fully subsidize the PAC but can sustainably contribute towards ongoing operations. At a typical spending rate of four to five percent, the endowment would contribute about \$150,000 annually to the operating budget.

### 3. Financial History

#### 4. Historical budget for the PAC

Revenue	Actuals 2012	Actuals 2013	Actuals 2014	Actuals 2015	Actuals 2016	Actuals 2017	Actuals 2018	Actuals 2019	Actuals 2020	Actuals 2021
Shows	270,304.51	227,766.05	227,108.66	148,883.42	315,350.36	352,964.06	324,310.04	344,717.48	263,334.75	26,183.02
Show Fees	47,410.95	47,319.95	37,333.95	35,225.70	51,698.04	49,388.39	55,842.55	52,781.79	26,542.70	-2,655.60
Kuss Rentals	157,552.44	170,690.60	139,171.34	173,309.47	162,075.54	142,412.44	166,266.13	233,723.33	142,429.95	40,464.10
<b>Total Revenue</b>	<b>475,268</b>	<b>445,777</b>	<b>403,614</b>	<b>357,419</b>	<b>529,124</b>	<b>544,765</b>	<b>546,419</b>	<b>631,223</b>	<b>432,307</b>	<b>63,992</b>
<b>Expense</b>										
Salaries	471,512.41	497,209.97	504,269.99	495,294.44	507,260.62	522,274.23	510,432.82	535,050.69	519,007.00	205,537.97
Benefits	140,703.52	143,177.93	141,154.72	134,051.70	141,823.79	162,508.65	172,198.35	185,898.40	191,115.09	143,117.01
Supplies	13,513.69	17,222.23	14,928.49	12,943.96	11,588.39	18,955.10	17,349.65	20,811.36	14,547.42	7,334.32
Travel & Special Events	9,652.46	9,179.53	5,315.24	9,996.11	14,681.43	11,680.24	8,849.61	7,448.87	10,163.70	3,401.92
Communications	52,486.90	59,408.02	43,940.58	38,215.09	56,776.69	68,617.82	67,379.08	102,812.99	65,225.98	22,150.90
Occupancy Expenses	76,051.92	76,399.80	62,752.28	76,814.31	64,157.70	75,450.48	55,137.29	76,337.73	51,462.41	43,088.74
Moveable Equipment	6,825.85	5,923.36	4,137.19	6,832.25	1,797.70	1,987.65	3,408.60	2,421.83	2,366.49	3,178.85
Miscellaneous	150,625.21	107,722.12	148,975.46	164,906.24	200,302.47	255,687.58	279,933.99	405,696.07	243,099.11	9,670.94
<b>Total Expense</b>	<b>921,372</b>	<b>916,243</b>	<b>925,474</b>	<b>939,054</b>	<b>998,389</b>	<b>1,117,162</b>	<b>1,114,689</b>	<b>1,336,478</b>	<b>1,096,987</b>	<b>437,481</b>
<b>Net Revenue (Loss)</b>	<b>(446,104.06)</b>	<b>(470,466.36)</b>	<b>(521,860.00)</b>	<b>(581,635.51)</b>	<b>(469,264.85)</b>	<b>(572,396.86)</b>	<b>(568,270.67)</b>	<b>(705,255.34)</b>	<b>(664,679.80)</b>	<b>(373,489.13)</b>

Source: Clark State College.



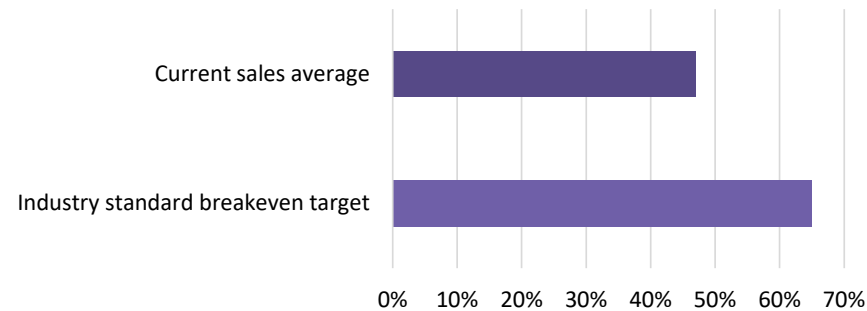
# 4. Ticketing Analysis

Keen Independent reviewed ticket sales data from fiscal year 2019 to May of fiscal year 2022. In Figure 6, we present the average percent of the Kuss Auditorium sold per show by program and season for each of these fiscal years. Factors influencing this rate of sale may include types of programming, market reach and available audience, marketing efforts, outreach and customer experience.

Over these years, only about 47 percent of the Kuss Auditorium’s capacity was sold on average, in comparison to an industry standard (minimum breakeven target) of 65%. The industry standard is a breakeven amount that allows venues to plan for the unpredictability of entertainment ticket sales, while always striving for full houses and sell-out audiences.

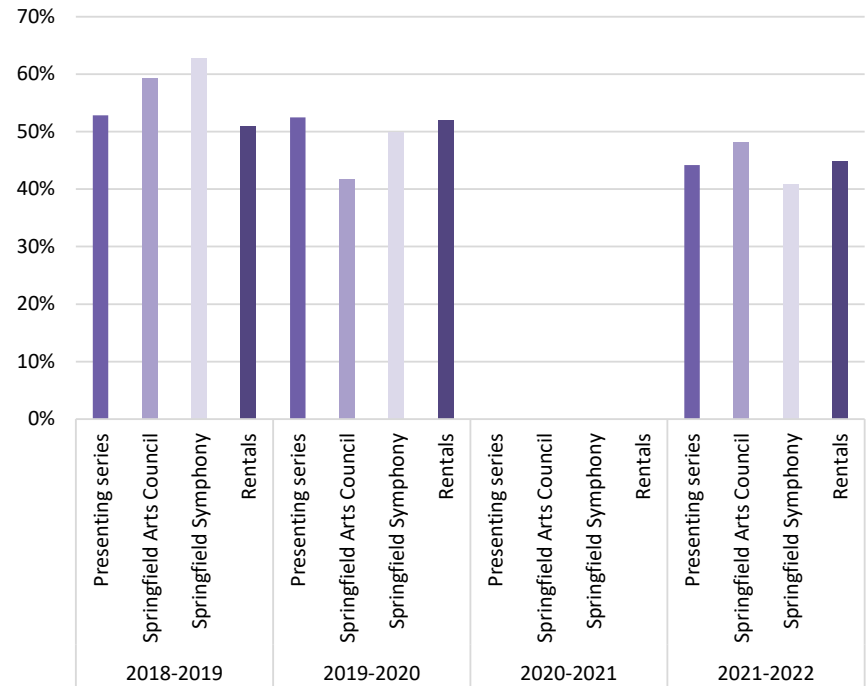
Note that based on the overall cost of a show, the breakeven amount may be lower than the industry standard, but should in practice never be over 65%, unless the programming is heavily subsidized and is not reliant on ticket sales revenue.

5. PAC presenting series ticket sales versus industry break-even targets



Source: Clark State College, Theatre Projects.

6. Average percent of the house sold per show by program and season, FY2019–FY2022



Note: Ticket data were received in May 2022, so the 2022 season might not reflect a complete season.

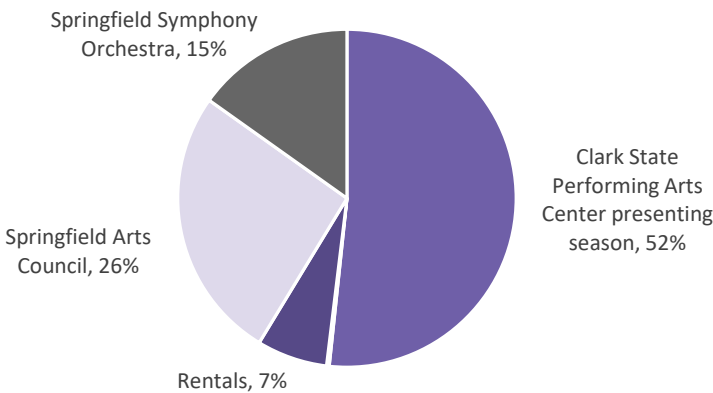
Source: Clark State College.

## 4. Ticketing Analysis

### Revenue

Figure 7 illustrates cumulative ticket revenue by program for fiscal years 2019 through 2022. The PAC presenting series accounts for about half of the total ticket revenue brought into the performing arts center.

7. Total ticket revenue by performing organization, FY2019–FY2022



Note: Ticket data were received in May 2022, so the 2022 season might not reflect a complete season.

Source: Clark State College.

### Reach

Figure 9 on the following page shows a heat map of number of tickets sold by PAC ticket buyer’s zip code. Although the zip codes span as far as the Columbus, Dayton and Cincinnati areas, the zip codes with the highest number of ticket sales are in the immediate area of the PAC, which falls in line with the determined primary and tertiary market areas identified in the market analysis (see page 11).

Note that we do not display a map for fiscal year 2021 because no events were held this year due to the COVID-19 pandemic.

### Ticket Buyer Demographics

Figure 8 presents general demographic data of PAC ticket buyers for fiscal years 2019 through 2022. Demographic information of about 3,000 to 3,500 patrons were identified for each fiscal year, except for fiscal year 2021, when no events were held.

Compared to the market area demographics provided in figures 12 and 13, the demographics of the PAC ticket buyers tend to be somewhat older and higher income than the individuals in the established market areas.

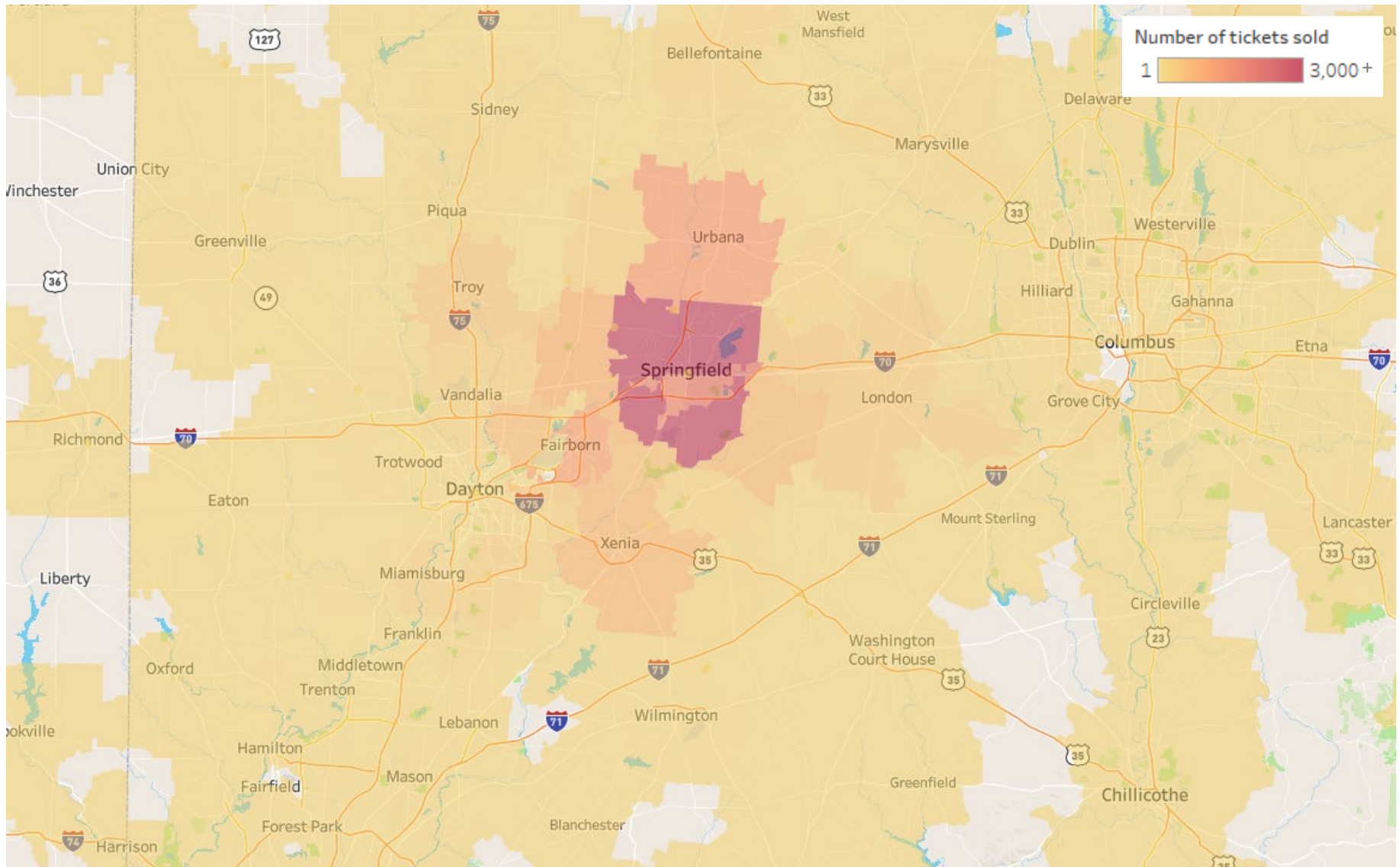
8. Demographics of PAC ticket buyers, FY2019–FY2022

Ticket buyers surveyed		9,637
Income		
\$0 - 30K	10	%
\$30 - 50K	16	
\$50 - 75K	24	
\$75 - 100K	18	
\$100 - 125K	13	
\$125K	20	
Total	100	%
Age range		
18 - 24	3	%
25 - 34	10	
35 - 44	17	
45 - 54	23	
55+	47	
Total	100	%

Source: Clark State College.

## 4. Ticketing Analysis

### 9. Heat map of number of tickets sold by zip code, FY2019–FY2022



Note: Ticket data were received in May 2022, so the 2022 season might not reflect a complete season.

Source: Clark State College, Tableau, Keen Independent Research.

## 5. Market Analysis

### Market Areas

Keen Independent developed three market areas based on drive time to the Clark State Performing Arts Center:

- Primary market area (within approximately 15 minutes of drive time);
- Secondary market area (within approximately 30 minutes of drive time); and
- Tertiary market area (within approximately 60 minutes of drive time).

Figure 11 on the following page illustrates these market areas.

The three other theaters in the Springfield area range in capacity from 200 to just under 700, making Kuss Auditorium the highest-capacity theater in the area. This presents Clark State with substantial opportunity to host larger events that other nearby theaters cannot.

However, there are several similarly sized theaters within 50 miles of driving, which could be the cause of potential market leakage outside of Springfield.

**Competing market areas.** Figure 12 on the following pages illustrates the market areas for the competing markets of Dayton, Columbus and Cincinnati. Competing markets substantially overlap with the Springfield area market. A review of programming in the Dayton and Columbus area show many similarities to historical PAC programming with Dayton and Columbus often getting newer tours and bigger artist names than Springfield. Both cities are likely drawing audiences from the Springfield market and could be decreasing demand for local Springfield arts and cultural offerings.

10. Mural in downtown Springfield

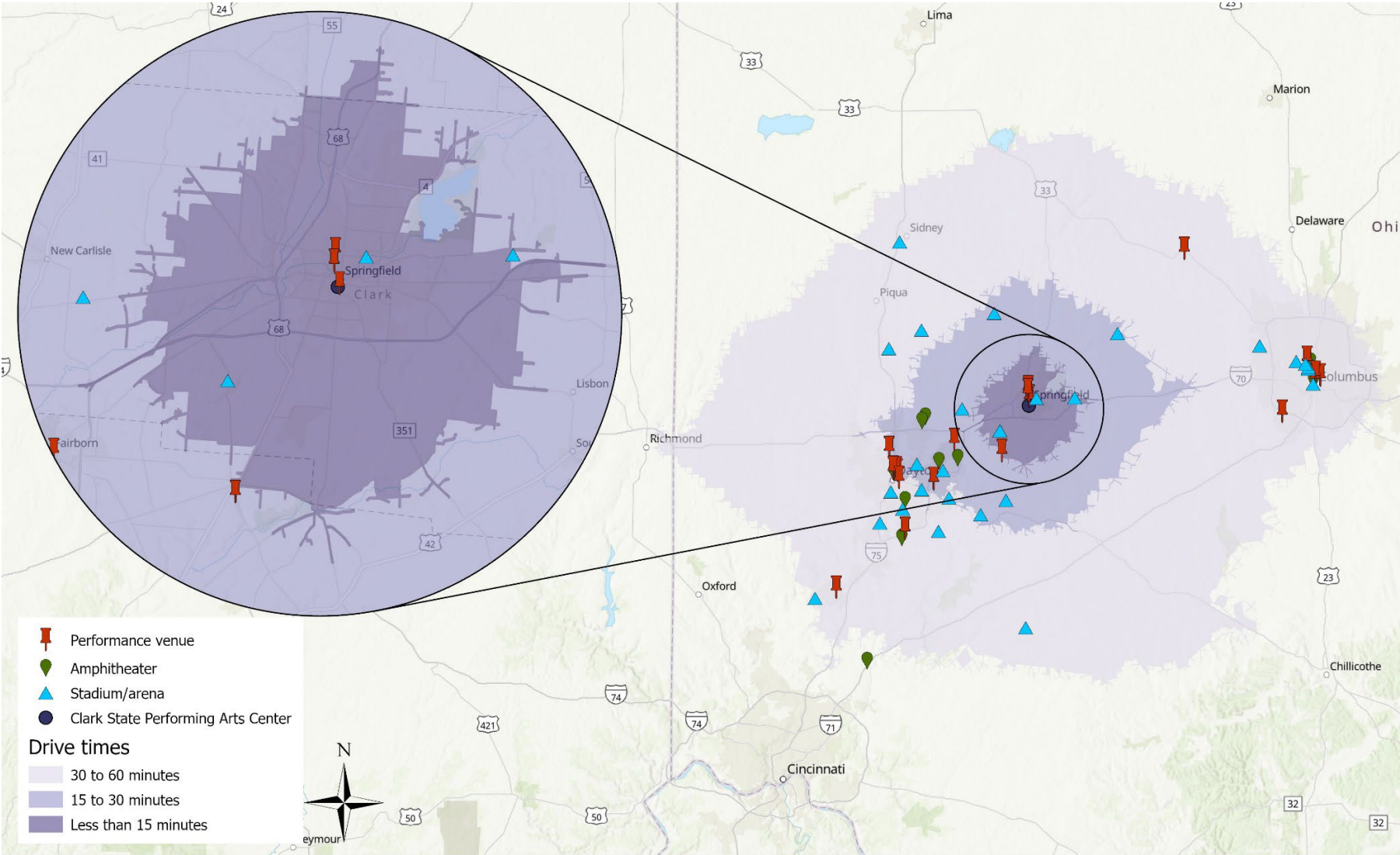


Source: Keen Independent Research.



# 5. Market Analysis

11. Map of Clark State Performing Arts Center market areas



Source: ESRI, CGIAR, HERE, Garmin, FAO, NOAA, USGS, EQA, NPS, SafeGraph, METI/NASA, EPA, Keen Independent Research.





## 5. Market Analysis

### Demographics

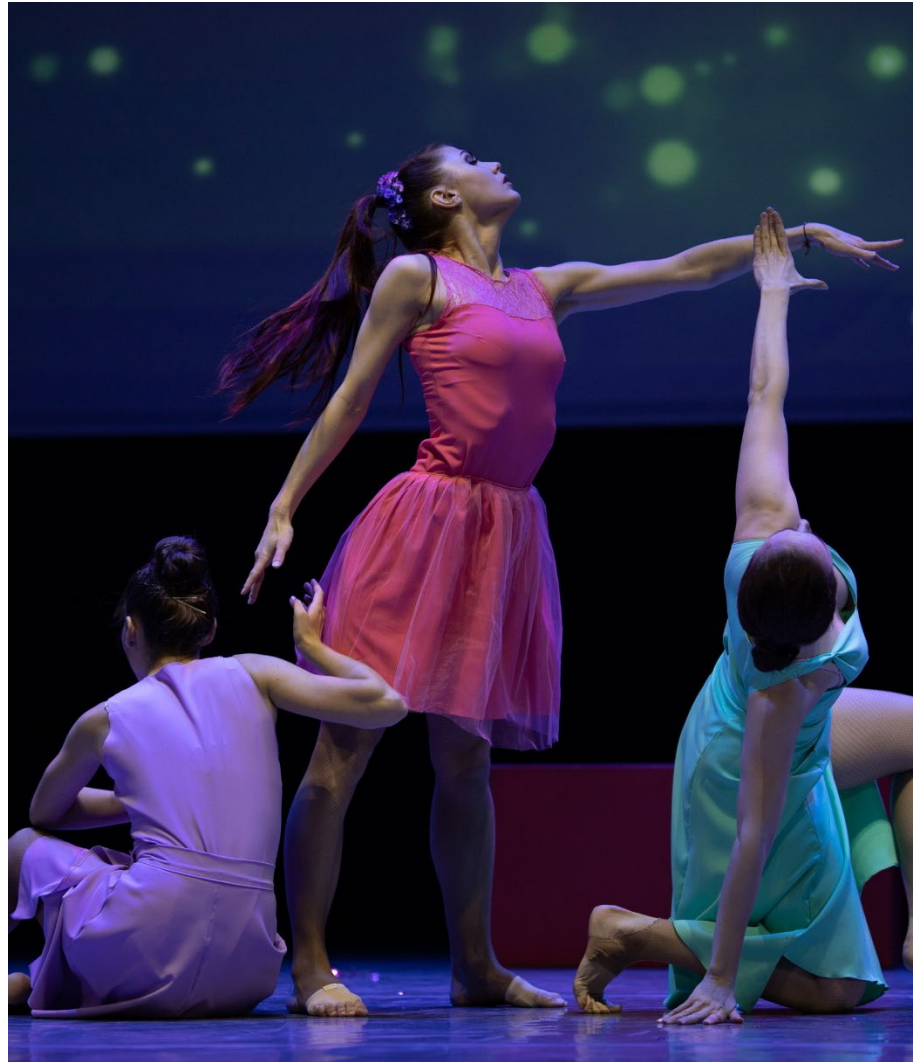
Keen Independent analyzed demographic information for the established market areas and compared those characteristics with those of the nation. Corresponding figures 13 and 14 are on the following page.

**Population demographics.** Figure 13 displays Springfield market area total population, age, race and ethnicity. The primary market area (less than 15-minute drive time from PAC) has over 100,000 residents. Keen Independent has found based on national benchmark community research that this population level can have the carrying capacity to sustain performing arts facilities.

**Age, race and ethnicity.** Figure 13 shows a primary market area population age that is somewhat older than the national average. Additional age-related demographic forecasts can be found in Figure 18. About 82 percent of primary market area residents identify as White, about 12 percent identify as African American. About 97 percent of primary market area residents identify as non-Hispanic and 3 percent identify as Hispanic American.

**Household income and education.** Figure 14 displays annual household income and education. The median household income in the primary market is just under \$48,000, which falls below the median income for the secondary and tertiary markets as well as the national median. Clark State may consider ways to ensure that events are affordable so that the local community consistently attends performances.

The primary market also has less formal education than the secondary and tertiary markets and national average.



## 5. Market Analysis

13. Springfield market areas and United States population by age, race, and ethnicity

	Primary Market	Secondary Market	Tertiary Market	United States
<b>Total population</b>	<b>101,985</b>	<b>400,821</b>	<b>2,680,211</b>	<b>328,239,523</b>
<b>Age</b>				
Up to 10 years old	11.4 %	11.2 %	11.9 %	12.1 %
10 to 19 years old	12.3	12.3	12.5	12.8
20 to 29 years old	12.5	14.2	14.7	13.8
30 to 39 years old	11.6	12.8	13.3	13.5
40 to 54 years old	16.9	17.2	18.0	18.5
55 to 69 years old	20.2	19.1	18.2	18.2
70 or more years old	15.1	13.2	11.4	11.2
<b>Total</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
<b>Median Age</b>	<b>42.1</b>	<b>39.6</b>	<b>38.2</b>	<b>38.4</b>
<b>Race</b>				
African American	11.7 %	9.7 %	16.4 %	13.4 %
Asian American	0.8	1.9	4.2	5.9
Native American	0.4	0.3	0.3	1.3
Pacific Islander	0.1	0.1	0.1	0.2
Other race	1.4	1.4	1.9	—
Two or more races	3.8	3.6	3.3	2.8
White	81.9	82.9	73.8	76.3
<b>Total</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
<b>Ethnicity</b>				
Hispanic American	3.1 %	3.8 %	4.5 %	18.5 %
Non-Hispanic	96.9	96.2	95.5	81.5
<b>Total</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

Source: American Community Survey via ESRI.

14. Springfield market areas and United States household income and education

	Primary Market	Secondary Market	Tertiary Market	United States
<b>Total households</b>	<b>41,517</b>	<b>158,762</b>	<b>1,082,007</b>	<b>128,451,000</b>
<b>Household income</b>				
\$24,999 or less	23.3 %	19.8 %	18.6 %	17.1 %
\$25,000 to \$49,999	28.3	25.4	21.7	20.0
\$50,000 to \$74,999	18.7	18.9	18.9	16.5
\$75,000 to \$99,999	12.1	13.9	13.2	12.3
\$100,000 to \$199,999	15.6	18.8	21.7	23.8
\$200,000 or more	2.1	3.2	5.9	10.3
<b>Total</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>
<b>Median HH income</b>	<b>\$ 47,933</b>	<b>\$ 54,557</b>	<b>\$ 60,404</b>	<b>\$ 68,703</b>
<b>Education (population age 25+)</b>				
Less than high school	11.0 %	9.8 %	8.7 %	9.9 %
High school	37.4	33.0	28.4	28.1
Some college	31.7	32.1	28.6	25.9
Bachelor's degree	11.7	14.8	21.2	22.5
Graduate degree	8.2	10.4	13.1	13.5
<b>Total</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

Source: American Community Survey via Esri.



## 5. Market Analysis

### Spending and Market Potential

Keen Independent studied spending and other behaviors of the population within the PAC’s market areas.

**Spending potential.** Figure 15 illustrates spending potential indices (SPI) of the PAC’s market areas. Note that the SPI compares the average amount spent locally for a product to the average amount spent nationally. An index of 100 reflects the national average; an SPI of 70, for example, indicates that average spending by local consumers is 30 percent below the national average.

In the PAC’s primary market area, the SPI is approximately 30 to 40 percent lower than the national average for all types of entertainment events. The SPI increases in the secondary and tertiary market areas, indicating that local communities are less willing than individuals from outside the community to spend money on performing arts events.

**Market potential.** Figure 15 also shows the market potential indices (MPI) of the PAC’s market areas. MPI measures the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to overall trends in the United States. An MPI of 100 represents the U.S. average.

Market potential in the primary market area is greatest for country music performances. Compared with the average consumer in the United States, consumers in Springfield’s primary market area are six percent more likely to attend country music performances, signaling more demand for these types of performances. In the secondary and tertiary market areas, consumers are more likely than average to attend rock music performances and dance performances. Clark State may consider diversifying the types of events it hosts at the Performing Arts Center to attract a wider audience.

15. Spending potential and market potential indices in Springfield’s primary, secondary and tertiary markets, 2021

	Primary Market	Secondary Market	Tertiary Market
<b>Spending potential</b>			
Entertainment/recreation	71	80	91
Entertainment/recreation fees and admissions	64	74	88
Tickets to theatre, opera and concerts	67	77	89
Tickets to movies	63	74	90
<b>Market potential (attendance in last 12 months)</b>			
Rock music performance	95	102	104
Country music performance	106	109	104
Classical music or opera performance	80	88	98
Dance performance	84	90	100
Movie (last 6 months)	92	96	99

Source: Esri’s U.S. Consumer spending data based on the Consumer Expenditure Survey (CEX) from the U.S. Bureau of Labor Statistics, U.S. Market Potential data based on survey data from MRI-Simmons



## 5. Market Analysis

### Demand Projections

Growth or contraction of demand for arts and cultural activities is correlated with changes in population size and age. Here, we examined population trends for Springfield and forecasts for Clark County.

**Population trends.** The population of Springfield has been declining for more than 50 years (see Figure 16). during the time that the PAC was built, the population of Springfield was notably higher than it is today.

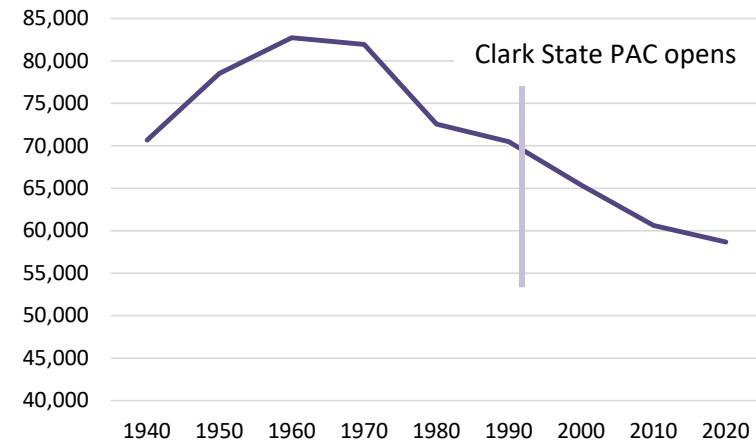
**Population forecasts.** Forecasts show the population of Clark County slightly decreasing from 133,000 residents in 2020 to about 128,000 in 2050, about a four percent decrease in total residents (see Figure 17). According to these data, the Clark County population is expected to decrease at a rate of about 0.13 percent annually.

**Population by age in 2020.** The age of residents also affects demand for arts and cultural activities. Figure 18 shows the age distribution of Clark County with population grouped according to widely recognized generations beginning with the Silent Generation (born between 1926 and 1945) to the Alpha Generation (born in 2011 and later years).

**Population by age in 2050.** Figure 18 also presents the projected age distribution for Clark County in 2050 based on projections for the area. Note that Keen Independent shows a cohort of people who will be born between 2031 and 2045 as “Beta Gen” (name invented to follow the “Alpha Gen” generation now being born).

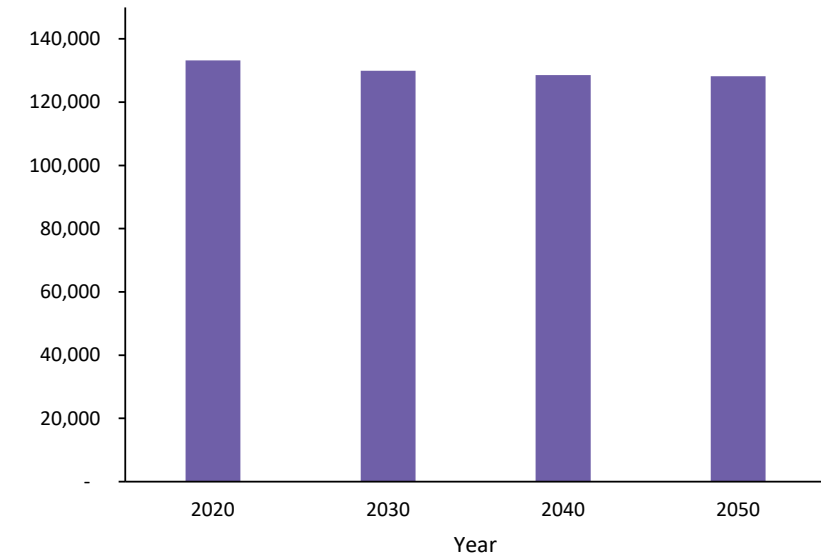
Clark County’s population is projected to skew younger in 2050 compared to 2020. This demographic shift could present an opportunity for Clark State to program events that are targeted for younger audiences to build that connection early and encourage more arts engagement later in life.

16. Population change in Springfield, 1940–2020



Source: U.S. Census Bureau.

17. Total population change in Clark County, 2020–2050

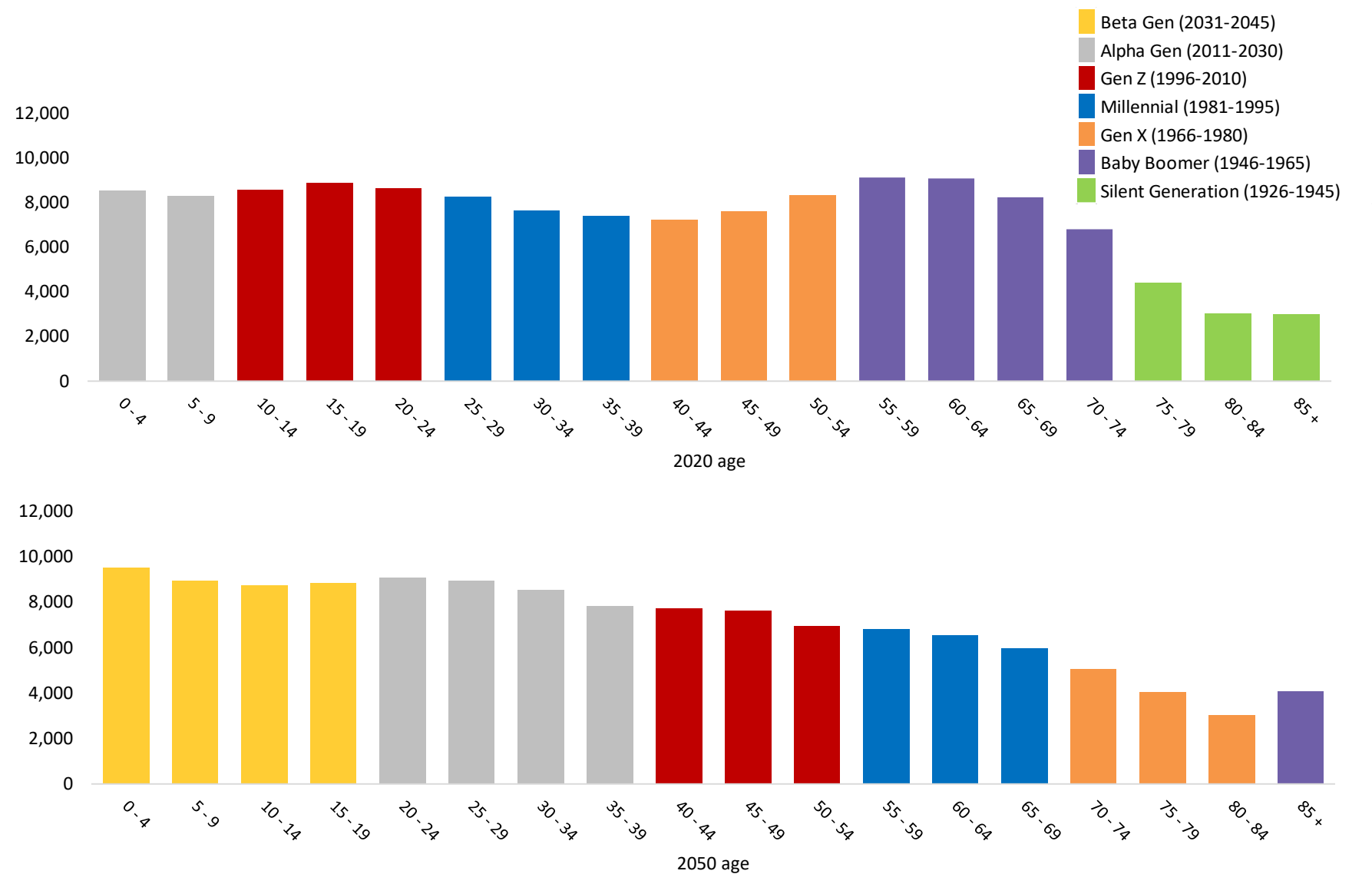


Source: Ohio Population Interactive Data Center, Scripps Gerontology Center, Miami University, Oxford, OH.



## 5. Market Analysis

18. Clark County population by age in 2020 and 2050



Source: Ohio Population Interactive Data Center, Scripps Gerontology Center, Miami University, Oxford, OH.

## 5. Market Analysis

**Demand scenario.** Keen Independent developed a demand scenario for the PAC from the Springfield population projections and national attendance data generated by the National Endowment for the Arts (NEA) 2017 Survey of Public Participation in the Arts (SPPA).

**Key assumptions.** These demand projections assume that the 2017 rates for arts participation do not change and that the national trends of age-specific rates of attendance are consistent with the Springfield population. Although COVID-19 has had a major impact on arts attendance across the country, these projections assume that this is a temporary phenomenon.

**Demand projections.** Keen Independent projects that unconstrained demand for Springfield arts activities will decrease by about four to nine percent between 2020 and 2050. For example, demand for attending opera performances is projected to decrease by nine percent over the next 30 years.

The demand is “unconstrained” as it does not include any reductions or limitations of venues or their size. Figure 19 summarizes projected percentage increases in unconstrained demand.

Please note the following:

- Demand change is at 0 percent for 2020 because that is the starting year from which change is measured;
- These demand changes are based on pre-pandemic demand; and
- Projections reflect projected demand of the residents of Springfield, not tourists.

Although overall demand for arts events in Springfield is projected to slightly decrease by 2050, several factors including spending potential and changes to population demographics influence demand and offer insight into how Clark State may position the PAC as a go-to location for the community to enjoy various types of arts events in the future.

19. Demand projections for arts events between 2020 and 2050

	2020	2030	2040	2050
Jazz music	0 %	-4 %	-7 %	-7 %
Latin, Spanish or salsa music	0	-3	-5	-4
Classical music	0	-3	-8	-9
Opera	0	-2	-7	-9
Musical plays	0	-4	-7	-8
Non-musical plays	0	-4	-8	-9
Ballet	0	-3	-5	-6
Dance (other than ballet)	0	-4	-6	-6
Film	0	-3	-5	-4
Art museums and galleries	0	-4	-7	-7
Craft/visual art festivals	0	-4	-7	-8
Outdoor festivals	0	-4	-7	-8
Art exhibits	0	-4	-7	-7
Live music performances	0	-4	-6	-6

Source: Ohio Population Interactive Data Center, Scripps Gerontology Center, Miami University, Oxford, OH, National Endowment for the Arts 2017 Survey of Public Participation in the Arts, Keen Independent Research.

## 6. Utilization Analysis

Keen Independent studied the utilization of the Kuss Auditorium. Figure 20 illustrates the cumulative utilization of the Kuss Auditorium from FY2019 to FY2022. "Utilization" is defined as a day in which the space had some sort of activity such as rehearsals, classes, performances, etc.

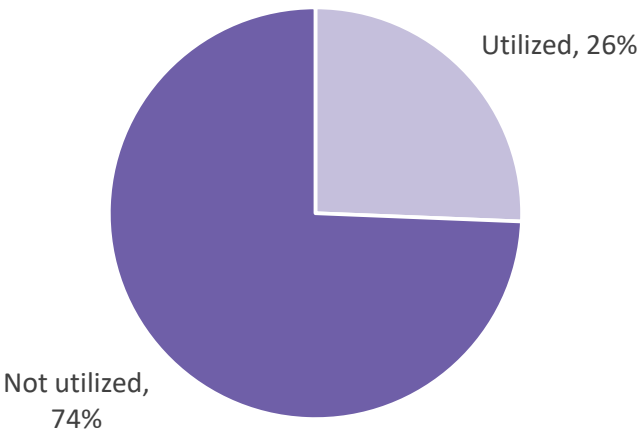
Figure 20 shows that, on average, the Kuss Auditorium was only used 26 percent of days annually. Note that due to the PAC being shut down in FY2021, we removed FY2021 data from this figure.

An ideal utilization ratio is at about 65 to 75 percent of days utilized (about 250 days per year).

**Utilization by month and year.** Overall, the month in which space in the Clark State Performing Arts Center was most consistently used between fiscal years 2019 and 2022 was October. Figure 21 on the following page displays total monthly utilization of Kuss Auditorium during this time period.

The busiest times of the year appear to typically be during the spring semester but there is opportunity to increase utilization throughout the year.

20. Total utilization Kuss Auditorium between FY2019, FY2020 and FY2022

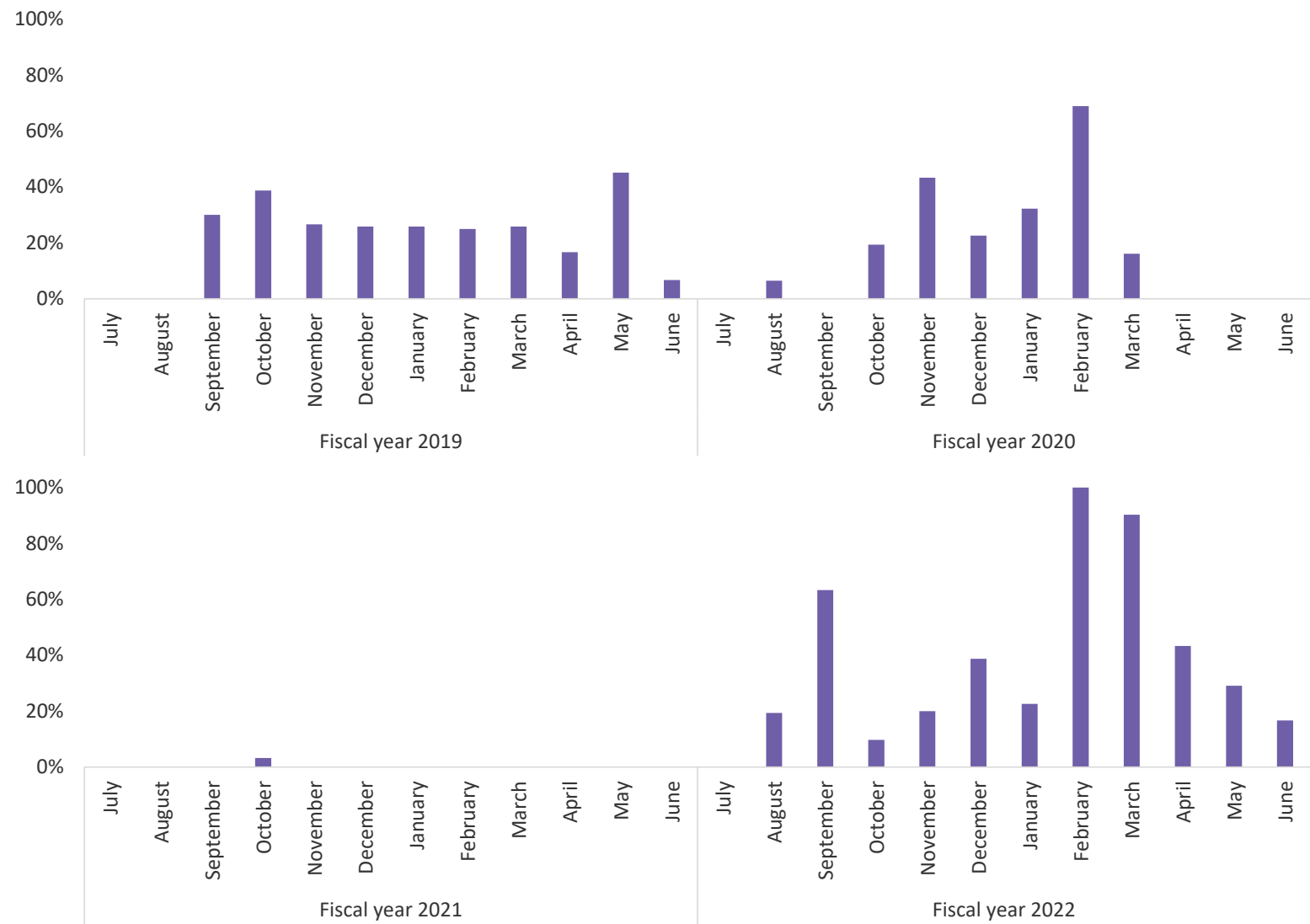


Note: Data was acquired in May 2022. Therefore, actual utilization numbers may be higher.

Source: Keen Independent Research.

6. Utilization Analysis

21. Monthly utilization of Kuss Auditorium in fiscal years 2019 through 2022



Note: Data was acquired in May 2022. Therefore, actual utilization numbers in May and June 2022 may be higher.  
Source: Keen Independent Research.

## 7. Programming Analysis

### Current Programming

Keen Independent subconsultant Theatre Projects conducted a comprehensive analysis of the PAC's programming.

**Partners.** The PAC regularly partners with the Springfield Arts Council and Springfield Symphony Orchestra (who both use office space within the building). Springfield Arts Council presents its own programmed series at the PAC. Co-promoters (organizations that share risk with presenters) are sometimes engaged within the PAC as well.

**Model.** The PAC has a typical performing arts center programming model with a mix of medium- to large-scale national touring acts, regional, professional and community organization performances, academic performances, graduations, rentals and community presentations. It uniquely regularly hosts technical rehearsals for national Broadway tours. The PAC's Kuss Auditorium serves as its typical touring and large rental space and the Turner Studio Theatre serves as its academic performance space.

**Market.** The venue exists within the competitive and touring exclusivity markets of both Dayton and Columbus, which may create difficulty for the programming team as they compete with larger presenting series, touring Broadway weeks-long engagements, and commercial promoters.

The same competition for securing confirmed dates for touring inventory also exists with competition of audiences, as the PAC audience can just as easily attend a performance in Dayton or Columbus as they can in Springfield. The media market is also shared, creating a crowded marketplace even for those living in Springfield.

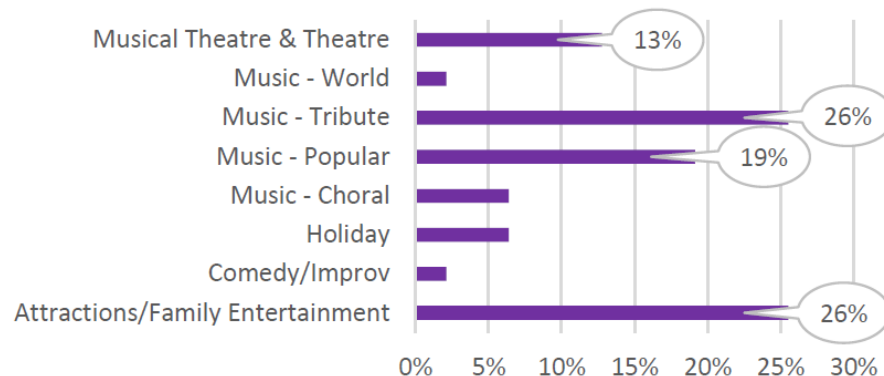
**Programming.** The current mix of programming (PAC presenting series and Springfield Arts Council combined) relies heavily on tribute shows,

popular music, attractions/family entertainment and musical theatre, as illustrated in Figure 22. Notably missing from this programming mix is stand-up comedy, with only one comedy show presented in the past three years — Colin Mochrie's HYPROV, an improv comedy and hypnosis show. HYPROV is categorized in Figure 22 as comedy but could also fit into the attractions category, leaving comedy unprogrammed.

In many markets, genres such as tribute shows, popular music and musical theatre can be very appealing to audiences, but we believe that the similarity of programming already existing within the marketplace has played a role in lagging ticket sales. To make these genres successful, the booking effort from the programming team would need to be more aggressive to secure dates with first-run or more popular music acts and attractions.

Because the PAC is only booking one-night engagements, they are unable to compete with the larger Broadway touring series who offer a strong subscriber base and multi-week engagement bookings. One-night engagement offers will always be left waiting for the third or fourth run of the popular titles.

22. PAC combined three-year programming mix, FY2019–2022



Source: Clark State College, Theatre Projects.



## 7. Programming Analysis

---

### Programming Recommendations

With a goal of maintaining activity in the venue while keeping ongoing operational costs and risk to a minimum, Clark State College could modify entertainment offerings to better attract larger audiences. Based on the demand projections for the Springfield market, the study team recommends that the at-risk programming series be comprised of ten to thirteen live events annually, presented independently by Clark State, shared between presenting organizations through a combined effort or outsourced to a commercial promoter.

By providing genres missing from the current programming inventory, the series would supplement other community and college programming. By curating a balance of entertainment offerings in the market, Clark State's programming would not compete with itself.

The following genres should be considered as a part of the programming profile:

- **Stand-up comedy.** With the increased popularity and availability of stand-up comedy specials on Netflix, HBO and YouTube, touring stand-up comedy is a high-demand genre and, if programmed appropriately, could be successful for the PAC. Regionally, headlining names such as Brian Regan, John Mulaney, Tom Segura and Jim Jeffries are found in the marketplace, but not much else in the mid-range to up-and-coming comedians exist in the performing arts center space. This is a great opportunity for Clark State to add two to three comedy shows throughout the year to attract the comedy audience to Springfield. Blue collar comedy, improv and clean stand-up comedy is well-suited for a 1,500-seat venue and are typically low-risk, as they require little more production than a basic stage set-up.
- **Country music.** Identified in the market analysis with the highest spending potential, this genre could be successful for the venue and community, if it is programmed correctly. We recommend a country music profile that focuses on classic country artists such as Wynonna, Dwight Yoakam, Clint Black, Oak Ridge Boys or even Marty Stuart. Based on the audience profile and demographics, contemporary country music acts will likely be less successful, as they typically rely on a younger audience base who are interested in a different venue experience.
- **Film.** This is a low-risk opportunity to engage audiences who have a lower ticket price threshold. Adding a film series could include classic feature films, holiday favorites, documentary films and adventure films. Film programming requires additional activations to create an event that make the film experience different from their at-home screens and could include collaborations with local organizations or touring products such as National Geographic Live or Women's Adventure Film Tour.
- **Family programming.** The market demographics are supportive of well-programmed family entertainment that is focused on a "toddler to 100" audience, where the full family can attend and enjoy the event. Past PAC programming attempted family programming but may have missed the mark on quality of show, day of week and ticket pricing. We recommend that family programming is a part on the ongoing programming model with more focus given to the show selection process. Magic and illusion shows can be successful, but the Broadway touring product of The Illusionists, as programmed in 2018-19 and 2019-20 seasons, was targeted more to an adult audience.

## 7. Programming Analysis

**Existing successful programming.** Types of programming that have proven successful in past seasons at Kuss Auditorium should not be discounted nor removed from the programming model. We recommend putting emphasis on creating more beneficial deal structures for these shows to increase profits, and we caution too much repetition in year-after-year successive booking of favorite titles/shows. A philosophy of title/show repetition should be determined which can guide the programming process, and, while certain shows such as Mannheim Steamroller can become a holiday tradition, consideration should be given to frequency, especially if ticket sales begin to decrease.

Broadway titles can be successful for the series, but it will be critical that the titles and deal structure be within acceptable ranges. Single night non-equity tour titles may have been in the market for successive years as an Equity tour. These shows usually require a large labor force for the day of show, and the breakeven margins typically require higher ticket prices that can pose a risk to the Clark State if the show does not sell well.

**Existing programming modifications.** Current programming is heavily weighted with tribute shows, many of which do not sell well. We recommend a reduction of tribute band titles and a focus on quality titles that do well and can sell well in the market. Past ticket sales illustrate that newer tribute titles, such as MJ Live – Michael Jackson Tribute are more popular than Masters of Soul and BritBeat.

Choral shows and world music have not sold well within the series. Unless there is a strong local connection to these genres, past ticket sales would deem these types of shows not viable for continued bookings.

**Balanced series.** The study team recommends a balanced programming series be developed that continues programming shows that have a solid ticket sales track record, removes genres that continuously lose the organization money by not successfully selling to a minimum breakeven, and explores new genres that have a better opportunity for tickets sales and revenue generation success.



## 8. Rental Rate Analysis

Keen Independent collected rental rate information for similar performance venues within 50 miles of the PAC.

### Daily Rates

Figure 23 provides comparisons of daily rental fees (8 or more hours) for similar nearby venues and the Clark State Performing Arts Center. Typically, higher-capacity venues will charge higher rental rates. To provide more of a side-by-side comparison and help develop pricing considerations for the Clark State Performing Arts Center, pricing per capita (or per seat) is included. Nearby venues that charge the highest rental rates are located in Dayton and Columbus.

The daily rental rates for Kuss Auditorium on event days and non-event days fall on the low end of the range of rental rates for similar venues in the area. Although the PAC might want to price aggressively to attract more business, consider increasing the daily rental rates to be closer to area median rental fees.

- Median per capita rates for event days:
  - About \$2.85 per capita for for-profits (\$4,275); and
  - About \$2.32 per capita for nonprofits (\$3,480).
- Median per capita rates for non-event days:
  - About \$1.36 per capita for for-profits (\$2,040); and
  - About \$1.00 per capita for non-profits (\$1,500).

23. Daily rental rates for similar venues nearby

Venue name	For-profit		Nonprofit	
	Price	Price per capita	Price	Price per capita
<b>Event days</b>				
Davidson Theatre	\$ 2,271	\$ 2.51	\$ 1,342	\$ 1.49
Southern Theatre	3,288	3.55	1,835	1.98
Victoria Theatre	3,462	3.00	3,462	3.00
Arbogast Performing Arts Center	3,000	2.50	2,700	2.25
<b>Kuss Auditorium</b>	<b>2,440</b>	<b>1.63</b>	<b>1,430</b>	<b>0.95</b>
Newport Music Hall	7,000	4.12	7,000	4.12
The Mead Theatre	12,000	5.16	12,000	5.16
Mershon Auditorium	5,000	2.00	5,000	2.00
Palace Theatre	7,354	2.73	6,419	2.38
Ohio Theatre	8,285	2.97	6,758	2.42
<b>Median</b>	<b>\$ 4,231</b>	<b>\$ 2.85</b>	<b>\$ 4,231</b>	<b>\$ 2.32</b>
<b>Non-event days</b>				
Davidson Theatre	\$ 1,130	\$ 1.25	\$ 648	\$ 0.72
Southern Theatre	1,628	1.76	921	1.00
<b>Kuss Auditorium</b>	<b>1,320</b>	<b>0.88</b>	<b>798</b>	<b>0.53</b>
Palace Theatre	3,674	1.36	2,986	1.11
Ohio Theatre	4,155	1.49	3,204	1.15
<b>Median</b>	<b>\$ 1,628</b>	<b>\$ 1.36</b>	<b>\$ 921</b>	<b>\$ 1.00</b>

Note: Green denotes the lowest price per capita, and pink denotes the highest price per capita.

Source: Keen Independent Research.

## 9. Benchmarks

Keen Independent presents benchmark profiles of performing arts centers throughout the country that are instructive to the PAC. Benchmark venues were selected based on most or all the following considerations:

- Connection to a local college;
- Seating capacity of performance spaces;
- Presentation of academic, community, local and touring programs;
- Distance from a sizable metropolitan area; and
- Availability of interviewees.

Keen Independent developed benchmark profiles for the following organizations' venues:

- The Norton Center for the Arts at Center College (Danville, KY);
- Seby B. Jones Performing Arts Center at Louisburg College (Louisburg, NC);
- Robertson College Community Center at Catawba College (Salisbury, NC);
- Brooks Center for the Performing Arts at Clemson University (Clemson, SC); and
- Wharton Center for the Performing Arts at Michigan State University (East Lansing, MI).

Keen Independent used these benchmarks to help develop the business plan and pro forma on the following pages. The Norton Center is described in the following paragraph as an example of how benchmark information was gathered.

**Norton Center.** Norton Center is a notable benchmark for the PAC because it has a 1,500-seat performance venue and a smaller 367-seat theater. In fiscal years 2018 and 2019, revenue was approximately \$1.1 million. Pre-pandemic, the Norton Center has been operating at a financial loss of about \$500,000 annually. Ticket prices range from \$19 to \$60 with local and national artists including Dolly Parton and Yo-Yo Ma.

Kentucky Arts Council provides operating support to the Norton Center with state tax dollars and federal funding from the National Endowment for the Arts.

### 24. Norton Center for the Arts at Centre College



Source: Centre College.

## 10. Business Plan and Pro Forma

Using findings from all parts of this study, Keen Independent developed a business plan, estimated venue utilization and pro forma budget for PAC/HBC operations for each year over the next five years started at fiscal year 2024.

### “Venue Team” Model

Clark State staff have reported that there are divisions and silos separating PAC and HBC operations. While these divides have improved in recent years, there still is a lack of continuity between both venues. The PAC and HBC are too small to operate independently at Clark State.

Keen Independent recommends that the two venues be fully merged financially and operationally. The new General Manager should develop a “Venue Team” approach that sees the PAC and HBC as the department’s venue portfolio. Other campus events could be supported by the department as well since they are experts in venue and event management. Staff should regularly work PAC and HBC events and conduct cross training between disciplines and roles. Part-time staff should be encouraged to develop skills in several areas of theater and conference center management (for example, a box office assistant in the PAC could work as an event assistant in the HBC).

**Budgeting.** Under the “Venue Team” model, future PAC and HBC budgets could be combined to help reinforce their shared mission. The venue management team would be responsible for the financial success of both facilities. Clark State subsidy would be calculated in aggregate for the whole department as contemplated in the pro forma described in Figure 27.

### Estimated Utilization

Figure 25 illustrates the estimated utilization of PAC/HBC facilities in a “Venue Team” model from FY2024 to FY2027. Utilization has been forecasted by looking at historical averages, future programming recommendations, benchmark facilities and industry standard break-even targets.

Note that total future utilization for the Kuss Auditorium is lower than past utilization averages and industry standard targets. This is due to a reduction in national tours conducting technical rehearsals at the PAC and the lack of academic and resident company utilization. If utilization is higher than projections, PAC revenue and expenses could increase.

25. Estimated utilization of PAC/HBC, FY2024–FY2027

	FY2024	FY2025	FY2026	FY2027
<b>Kuss Auditorium</b>				
Nonprofit rental	20	22	25	30
For-profit rental	15	16	20	25
In-kind/programming	27	27	30	35
<b>Total</b>	<b>62</b>	<b>65</b>	<b>75</b>	<b>90</b>
<b>Turner Studio Theatre</b>				
Nonprofit rental	12	12	15	20
For-profit rental	5	5	7	10
In-kind/programming	70	70	80	100
<b>Total</b>	<b>87</b>	<b>87</b>	<b>102</b>	<b>130</b>
<b>HBC Pavlatos Grand Hall</b>				
Nonprofit rental	35	40	45	50
For-profit rental	30	35	40	45
Wedding rental	12	15	18	20
In-kind/programming	50	60	70	80
<b>Total</b>	<b>127</b>	<b>150</b>	<b>173</b>	<b>195</b>

Source: Keen Independent Research.



## 10. Business Plan and Pro Forma

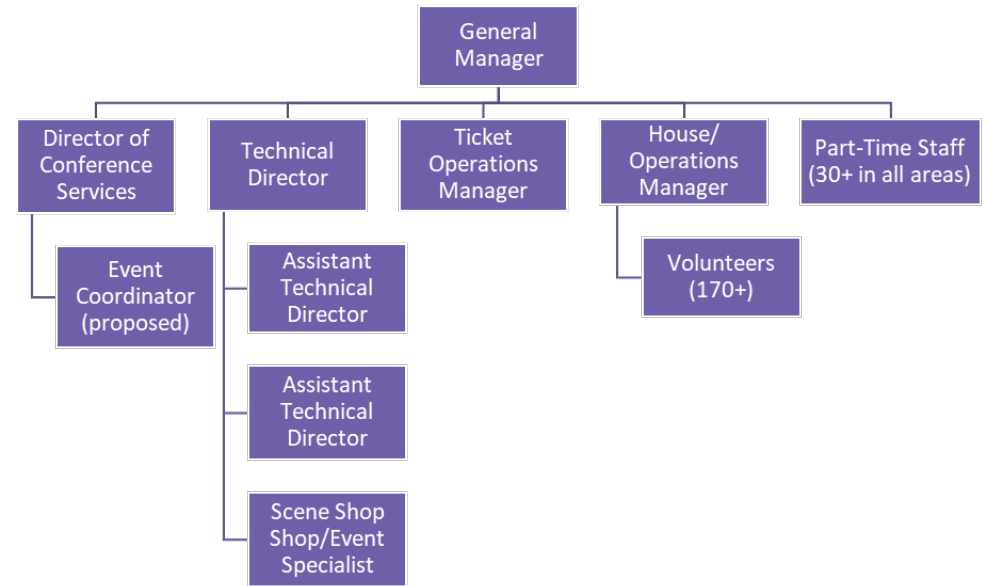
### Organizational Chart

Keen Independent reviewed the current PAC and HBC organizational chart and made recommendations for operational improvements. FY2023 updates are reflected in Figure 26.

Some notable updates from the current organizational chart include:

- Creating a “Venue Team” model where all PAC/HBC staff are responsible for Clark State’s venue portfolio;
- Replacing the Executive Director position with a General Manager (operational focus with less overlap with Clark State administration titles and responsibilities);
- Consolidating part-time staffing supervision under General Manager (with work direction from PAC/HBC staff);
- Cross training part-time team further to support PAC/HBC venue management efforts; and
- Considering the addition of an Event Coordinator role to support PAC/HBC events and assist with client and artist management.

26. Recommended FY2023 “Venue Team” organizational chart



Source: Keen Independent Research.

## 10. Business Plan and Pro Forma

### Pro Forma

In recent years, the PAC and HBC have performed below expectations even when considering the challenges of the Springfield market. The COVID-19 pandemic has made generating revenue even harder.

Using market data, benchmarks, industry targets and historical averages, Keen Independent built an order-of-magnitude pro forma budget that combines PAC and HBC operations and estimates future expenses while lowering the need for Clark State College subsidy from year to year (see Figure 27). Clark State subsidy is estimated at \$500,000 for FY2024 and intended to decrease annually to \$300,000 by FY2027.

**COVID-19 recovery.** As of September 2022, pandemic impact seems to be waning as national COVID-19 infection rates decrease and death rates dramatically decline. Recovery continues in all sectors of the economy with entertainment venues and convention centers nationally still seeing revenue that is lower than pre-COVID-19 numbers. This decrease of revenue is particularly seen in performing arts centers with older audiences. While data is still being gathered to explain these trends, it is reasonable to assume that older performing arts audiences may be less inclined to gather in public than younger ones due to risk of infection. Recovering demand from performing arts audiences will continue to take time and may require the natural programming pivots recommended by this study (for example less tribute acts and more comedy to draw in a younger audience).

**Increases in revenue.** Revenue forecasts include data from historical averages, future programming recommendations, benchmark facilities and industry standard break-even targets. Ticketing and rental fees have been increased to be more in line with regional expectations. Fundraising dollars have been increased in line with historical targets.

**Increases in expenses.** More revenue often means more expenses in all sectors. The PAC and HBC will likely have increased operational costs over time particularly in part-time employee and variable expenses. These expenses are flexible and increase based on the amount of success the PAC and HBC have.

27. Combined PAC/HBC order-of-magnitude estimated budget, FY2024–FY2027

	FY2024	FY2025	FY2026	FY2027
<b>Income</b>				
Earned	\$ 832,524	\$ 966,516	\$ 1,079,390	\$ 1,254,312
Contributed	205,530	288,033	328,636	363,905
Clark State Subsidy	500,000	450,000	400,000	300,000
<b>Total income</b>	<b>\$ 1,538,054</b>	<b>\$ 1,704,549</b>	<b>\$ 1,808,026</b>	<b>\$ 1,918,217</b>
<b>Expenses</b>				
Employee	\$ 962,792	\$ 1,017,792	\$ 1,045,000	\$ 1,072,500
Variable	560,938	647,752	700,479	786,117
Fixed*	-	-	-	-
<b>Total expenses</b>	<b>\$ 1,523,730</b>	<b>\$ 1,665,543</b>	<b>\$ 1,745,479</b>	<b>\$ 1,858,617</b>
<b>Net income</b>	<b>\$ 14,324</b>	<b>\$ 39,006</b>	<b>\$ 62,547</b>	<b>\$ 59,599</b>

Note: Fixed costs are covered by Clark State College shared services.

Source: Keen Independent Research.

28. Estimated order-of-magnitude budget for Clark State presenting series, FY2024–FY2027

	FY2024	FY2025	FY2026	FY2027
Income	\$ 362,861	\$ 453,576	\$ 498,934	\$ 589,650
Expenses	298,744	373,430	410,773	475,460
<b>Net income</b>	<b>\$ 64,117</b>	<b>\$ 80,146</b>	<b>\$ 88,161</b>	<b>\$ 114,190</b>

Note: Clark State presenting series income and expenses are included Figure 27 combined PAC/HBC estimated income and expenses, FY2024–FY2027.

Source: Keen Independent Research.

## 11. Conclusions and Recommendations

---

### Conclusions

The study team developed the following study conclusions:

- Population in the Springfield, OH area is not forecasted to grow but will be relatively stable over the next thirty years while demand for performing arts activities may slightly decline during the same period.
- The PAC and HBC are located within a competitive market. The nearby competing markets of Dayton, Columbus and Cincinnati are significantly larger and more established.
- The PAC is underperforming even when considering its market area.
- Rental pricing and ticketing fees for the PAC are well below market expectations.
- Clark State is taking on significant responsibility being the only major financially supporting entity for the PAC and HBC. Both venues serve as Springfield community assets first and academic assets second.
- The PAC presenting series is currently performing below the industry standard of selling at least 65 percent of seats on average likely due to type of programming.
- Many opportunities exist to improve PAC and HBC operations and set Clark State up for success into the future!

### Recommendations

Keen Independent provides the following recommendations for improving the operations of the PAC and HBC.

**Develop a “Venue Team” model.** The PAC and HBC require venue management skills to operate. Consolidate operations and finances under a “Venue Team” model with a General Manager at the helm.

**Find other avenues for funding outside of Clark State.** Look into other federal, state or local grants, hotel occupancy taxes and fundraising and sponsorships to relieve some financial burden on Clark State’s subsidy. Clark State should not be alone in supporting the PAC and HBC as they are both Springfield community assets.

**Increase fundraising and grow the endowment.** At about \$3.7 million, the endowment is not yet at a level to fully subsidize the PAC. Ongoing efforts will be required to grow the endowment to an increasingly impactful level. Fundraising must both support PAC yearly operational costs and endowment growth.

**Program for your audience.** It is not about what “you” like, it is about what your audience likes. Ensure programming reflects Springfield demographics and interests.

- Build a pipeline of future audience;
- Rebuild an arts center for everyone;
- Seek out quality over quantity; and
- Understand that less is more.

**Understand that change takes time.** Change takes time. Stay the course, follow the process and build a successful operating model for the PAC and HBC that will have community impact for years to come!