

BUSINESS PLAN

APPROVED JUNE 27, 2015 Contact: Molly Moser

Shepherd Gallery and Creativity Center wishes to thank the sponsors and granting agencies who contributed to the development of this business plan, including the Iowa Cultural Trust and the Department of Cultural Affairs.

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1.0 EXECUTIVE SUMMARY

Overview

Shepherd Gallery and Creativity Center is a nonprofit organization established in 2007 to provide high-quality community arts experiences for all ages in a safe, positive environment.

Our main function is to deliver an after school art program to elementary through high school aged students at no cost to families, schools, or the community. Our children are our future. They thrive when given chances to be creative, to be curious, and to learn about the world around them. Opportunities to do so should be available to all children regardless of socio-economic status.

Our community art studio, the Creativity Center, promotes the visual arts through ceramics, glass fusion, glass and tile mosaics, jewelry making, painting, and more. The studio welcomes artists of all ages to explore and create a piece of their own inspiration. The Creativity Center provides the after-school program, as well as workshops and classes taught by volunteer staff and local artists.

Shepherd Gallery, located in the lower level storefront of our historic building, displays the work of those local artists and sells one-of-a-kind hand-made gift items. The gallery features work in many media, including glass, pottery, jewelry, photography, and painting.

While the organization has been able to sustain itself thus far thanks to volunteers, grants, and donations, the board would like to accomplish yet another long term goal which is to open the

Artisan Café and Courtyard, a bistro-style restaurant serving gourmet coffee and a local, seasonal menu utilizing our kitchen and outdoor courtyard for seating.

Shepherd Gallery and Creativity Center will be an important educational institution as well as a tourist destination of which Guttenberg can be proud. It will serve as a cultural hub for hands-on learning and creative exploration. Children and families will gather there to experience together the joy of discovery through art. School groups will come to enhance their classroom education, and young professionals will see a community that embraces the arts as another reason to move to our growing city.

Guttenberg is a great place for families, and Shepherd Gallery and Creativity Center enhances that by utilizing the historic Albertus building, adjacent to our beautiful Ingleside Park. The time is always right to invest in our future: To create a unique and vibrant center for the youngest members of our community, for their parents and grandparents and all who care for them, and to cultivate the learning and creativity of our future citizens and artists.

Background

Director Cindy Olsen was granted nonprofit status for Shepherd Gallery and Creativity Center in 2007. Through a strong relationship with the Elwick family, owners of the historic Albertus Building, Olsen was given access to the northernmost portion of the building for the organization's headquarters.

After school programming began in the lower story of the building in 2010 by serving students of all ages attending Clayton Ridge schools – all of whom attended on partial scholarship right from the very beginning. Students paid a minimal fee of \$2 per day.

Thanks in part to a \$50,000 Pepsi Grant in 2011 and the work of many hands, in 2012 the Creativity Center was moved upstairs to its current location and opened to the public. That same year, Shepherd Gallery began hosting art exhibitions and offering local artists a new venue to sell their work.

In 2011, over 100 scholarship forms were mailed to students recommended by guidance counselors. During 2014, over 40 scholarships were awarded to students attending the three-day-a-week after school program. In the fall of 2013, the after school program was opened to students grades K-4 one day a week at a cost of just \$5 per session.

Other major supporters include UMGC (Upper Mississippi Gaming Commission); McElroy Trust; CCF (Clayton County Fund for the Future); DRA (Dubuque Racing Association); the Iowa Cultural Trust; private individuals, and volunteers.

Facility

Located at 214 S. River Park Dr., directly across from Clayton Ridge Schools and the mighty Mississippi, the limestone Albertus building is a jewel among Guttenberg's many historic buildings. The facility is housed within a beloved and well-known building, and the organization prides itself on good stewardship by preserving and utilizing this fine example of our German

heritage and sharing the story of the Albertus family, a family of German immigrants who built the two-part structure in the early 1850s. In 2014, Shepherd Gallery and Creativity Center held what will be the first of many events in the central part of the three story building, with hope of expanding slowly outside our current walls and into that additional space by hosting events and programming in the Rathskeller and two bed and bath units.

Since its completion, the Albertus building has been used for numerous commercial and residential purposes including a hotel, clothing store, grocery store, drug store, meat market and cigar factory. Upper stories of the building were primarily residential, as was our gallery/studio building which was added on to the original three-story structure in the late 1850s. Currently on the National Register of Historic Buildings, a major renovation was completed in 1971 by Keith Elwick, who purchased these buildings in the mid-1960s. In 2006 he gave generous terms to Cindy Olsen for the purchase of the adjacent two-story building. Olsen has been the motivation behind the major renovations that have taken place since then to bring this Iowa landmark back to life and to accommodate both the gallery and studio.

The Creativity Center has been evolving since 2007, when non-profit status was granted. Renovations and developments have been made possible by the generosity of donors, volunteers, and by the previous owner of our historic building, Keith Elwick.

The building was vacant and basically abandoned. Renovations began with meager start-up funds, hard work and focus on the vision! The original limestone walls were uncovered by beating plaster off the walls with tire chains. The limestone was tuck-pointed, and since then other revisions have included new lighting, new flooring, the framing/building of a new kiln room, painting, general cleaning, new heating and cooling systems, a new water heater, new wiring, insulation, kitchen and bathroom fixtures, and kitchen appliances. We are proud that local contractors and suppliers were the primary source and providers for all of this work.

Our community art studio, The Creativity Center, located on the second floor, was also a part of renovations. A new staircase, work stations, shelving, studio supplies, counters, cupboards, pottery wheel, fusion glass and mosaic supplies, ceramics and other general art supplies were all part of the dream, made possible by granting organizations like the Clayton County Foundation for the Future, Upper Mississippi Gaming Corporation, Dubuque Racing Association, McElroy Trust, and Pepsi.

Market Analysis

The target audiences for Shepherd Gallery and Creativity Center are local children and their families, seasonal tourists who visit Guttenberg to take advantage of the Mississippi River, and Midwestern artists both amateur and professional who can benefit from programming in both our gallery and studio.

The City of Guttenberg is a town of about 1,919 people and projections indicate that the population will grow over the coming years. There has been a decline in the number of children and an increase in the number of mature adults over the course of the past few decades. A close look at the change in population over the last decade indicates a significant influx of newcomers in the age range of 45 to 64 years of age.

Understanding this distribution can help the organization cater to lifestyles with fewer children and more “older” adults (according to recent census data, the highest median incomes are noted where the age of the householder is between 45 and 54 years) while developing ways to engage young families at low or no cost.

Guttenberg has little diversity in race, with 98% of the population self-identifying as “white” in the 2010 Census. Ethnically, 67% of the population is of German ancestry, with Irish ancestry noted by 15% of the population (U.S. Census Bureau, Decennial Census, 2010).

In 2011, tourists spent \$30.78 million in Clayton County. Guttenberg is the largest city in Clayton County and is located along the Great River Road, near the River Bluffs Scenic Byway, and provides direct access to the Mississippi River. It is expected that the majority of shoppers in the gallery will be tourists, while the majority of people utilizing daily studio programs will be local or part-time residents as well as tourists. Events will be a mix of the two audiences.

Enrollment at Clayton Ridge Schools in Guttenberg has fluctuated between 600 and 650 since 2005, with another 100 students attending St. Mary’s Immaculate Conception School in Guttenberg. Thus far the after school program has attracted mainly middle school-aged students, of which there are an estimated 200 attending school in Guttenberg.

Based on information gathered, there is a real need and desire for a facility such as the Creativity Center in the area. In addition to being the only public art studio in the county, there are few, if any, facilities specifically for children in Guttenberg, and there are none that are both completely hands-on and educational. As the population of the city ages, the emphasis on facilities and activities for children in Guttenberg decreases.

Visitation, Programming and Other Revenue

The McGregor Marquette Center for the arts, located just 30 minutes north along the Mississippi River, receives 10,000 annual visitors. Though no formal counts have been taken, it is estimated that Shepherd Gallery and Creativity Center reaches over 2,000 people through its events and outreach alone, and another 4,000 during regular open hours.

In addition to exhibitions by regional artists, Shepherd Gallery and Creativity Center will have ongoing programming including instructor led classes in oil and acrylic painting, precious metal clay, wheel pottery, stained glass, and more. During regular hours, staff and volunteers will be present to guide visitors through any of the media available in the studio. The facility will also be available for school group activities as well as Scouts and 4-H clubs, day camps, birthday parties, adult-only nights, movie and game nights, and live music in the courtyard, all in partnership with the Artisan Café and Courtyard. In addition, other entities may offer programming on site, making the organization a hub for arts activities.

In 2014, nearly \$12,000 was raised through events, classes, and workshops alone, making event planning the most profitable function of the organization and making up 24% of total revenue.

The Creativity Center will continue to offer its scholarship program that ensures that children at any socio-economic level have the opportunity to experience the arts in a safe, nurturing environment.

The organization will earn additional revenue through the restaurant and gallery. Similar to other comparable facilities, the Organization will continue to develop annual fundraising events. All funds are raised in an effort to support the after school art program.

Operations

The current Board of Directors includes three strong members with diverse backgrounds. The Board has led the development of the organization and is currently championing the development of the Artisan Café and Courtyard. The organization also has an Advisory Board that is comprised of various community members and supporters.

It is expected that the Board of Directors for the organization will change and evolve as the organization grows. Many of the current Board members will remain for continuity purposes; however, additional Board members with specific expertise will eventually be recruited to be part of the new Board. It will be key to find individuals who are seen as leaders and are well connected in the community to assist in the capital fundraising and other fundraising activities.

In addition to weekly contributions of time by board members Cindy Olsen and Steve Solomon, there is one part-time staff member, Molly Moser, who performs a variety of duties during 20 hours per week. A roster of approximately 10 core volunteers assist monthly with events, the after school program, and keeping the studio and gallery open, Volunteer retainment, training, and recruitment will continue to be important as the organization grows.

Staff resumes are attached in Appendix L.

Going forward over the next 1-3 years, it is desirable to hire Saturday staff for the summer months, an already-selected employee for the Artisan Café and Courtyard, an after school art program teacher, and to make Molly Moser's position as Gallery and Studio Manager a full time position.

As of the approval of this plan, the total annual operating budget for the organization is approximately \$50,000.

Capital Funding

A capital budget was developed for the launch of the Artisan Café and Courtyard. The budget considers equipment purchases like a commercial cooler, a triple sink, and installation of the outdoor sound system. These items will be depreciated over their lifespans.

Funding for Ongoing Operations

In addition to capital funding, the organization will need annual operational funding to fill the gap between operational expenses and earned revenue. The sources of this funding are expected to include individual giving, sponsorship, corporate donations, and public grants. It is difficult to estimate with certainty what level of support will be available to the Organization in these areas. The support will depend on a number of factors including the eventual design of the facility, marketing efforts, and external factors such as the economy and the number of other

projects that are seeking funding. The current funding model has approximately 70% of the revenues being earned revenues. The remaining 30% is expected to be sourced from private and public sources of funding. This funding model is comparable to many similar nonprofits in North America. It is understood that during the first year of food service, this model might go backward.

Financial Projections

Three year financial projections including fully integrated statements of financial position, net assets, activities and cash flows have been prepared.

Next Steps

Please see our goal timeline in appendix A.

2.0 PROJECT OVERVIEW

2.1 WHAT IS THE AFTER SCHOOL ART PROGRAM?

The after school art program meets on Mondays from 3:30-5:00 pm, Wednesdays from 2:30 to 5:00 pm, and Thursdays from 3:30 to 5:00 pm. The program began in 2010 with crayons and paper in what is now Shepherd Gallery. Thus far, any student who requests a scholarship has been awarded one on a rolling basis. Scholarships are granted to students in grades 5-12, and this school year marks our second year of including students K-4 in the program by inviting them to attend on Mondays after school for a flat \$5 fee. The opening of Mondays to students of all ages was meant to make the program more appealing to parents with multiple children in both age ranges, with hope that as younger students reach scholarship age, they would be more likely to apply for scholarships and will help our program grow.

After the 2014-15 school year, it was decided to return to offering the after school program exclusively to students 5th grade and up. Staff and volunteers felt strongly that offering activities geared toward younger students on Mondays deterred older students with scholarships, and found it difficult to cater to both audiences if older students were present.

During the 2013-14 school year, 19 scholarships were awarded and nine different students grades K-4 regularly attended on Mondays. Of the 19 scholarships awarded, only two students did not take advantage of the program.

During the 2014-15 school year, 26 scholarships were awarded and 12 students in the K-4 age range regularly attended on Monday nights. Of the 26 scholarships awarded, only three students did not take advantage of the program. The program grew significantly this year due in part to a partnership with the Clayton County Iowa State University Extension, who provided three six-week camps incorporating other fine arts to students attending on Thursdays. Those camps were Technical Theater, STEAM Robotics, and Pizza Camp. Data collected for the first semester of the 2014-15 school year suggests that roughly \$575 were spent on supplies and instruction costs were about \$2,000. With current funds, our goal is to keep supply costs below \$20 per student per week.

In the future, we would like to increase that number provided we are also increasing the quality of education. Plans to coordinate with schools, give in-school presentations, and organize local artists to teach staff-supervised units to after school students should also be discussed for the 2015-16 school year.

The after school art program is the foundation of our organization. It is the reason we exist, and our mission is and always will be to give that program away. Therefore, all other fundraising we do through events, classes, and gallery and studio sales is meant to ultimately, though perhaps indirectly, benefit that program. We have to keep the doors open, the lights on, and our image vibrant and at the tops of minds in our community to keep this non-profit-earning program viable and continue to foster its growth.

2.2 BENEFITS TO CHILDREN, PARENTS, AND COMMUNITY

More and more, research shows that open-ended educational experiences are critical to a child's development. The arts help children develop essential foundational and problem solving skills, spark their creativity, foster their curiosity, and give them a love of learning that they will take with them throughout their lives as they grow into educated, successful, and engaged adults. By supporting families in educating and nurturing children in their formative years, our organization will benefit our community for generations to come.

Shepherd Gallery and Creativity Center strives to be a vibrant hub for the community and for families. We are a place where people of different generations can connect in meaningful ways. We offer informal yet high quality learning experiences, complementing the more traditional structured extra-curricular children's activities.

The Creativity Center's after school art program is the brainchild of director Cindy Olsen. As a private practice, licensed mental health counselor in the community, Cindy recognized the value of self-expression without the presence of agenda, and without the anxiety of judgment. Noting the lack of resources in this very small, isolated community and the continuing school cuts in the arts programming, the notion of the Creativity Center was developed.

"Providing the conditions for positive youth development is a responsibility shared by families, schools, and communities." (NASET) Unfortunately, too many youth grow up in circumstances that provide limited support for healthy development. Our poverty level is at 11.7%, and only 8% of our residents work in Guttenberg, resulting in a significant number of latch key youth, with few resources beyond participation in athletics (which can be expensive).

One of the biggest risk factors to our youth is substance abuse. In 2011, our county was ranked 17th in the State of Iowa for high rates of underage drinking and adult binge drinking. This results in a double negative for our youth. Parental behavior is usually a 'green light' for kids to repeat the behavior. According to 2012 GFK Roper Youth Report, 73% of 13 – 17 year old youth felt parents have the most influence on whether or not their child will drink alcohol. And, the Iowa Youth Survey 2002-2012 indicates that 12% of 9 and 10 year olds have already had their first drink (not just a few sips).

The Creativity Center gives kids options, at no cost to their families, and provides a venue that engages youth in the arts while emphasizing common values including peer relationships, positive self-esteem, healthy self-expression, acceptance of self and others, and respect for community. We focus on the *process* of creative expression and include opportunities for

reflection and sharing.

According to Ping Ho, Founding Director of UCLArts and Healing, *“One of the ways in which the arts promote positive development is through opportunities for social-emotional learning. The social social-emotional value of the arts is important because these needs are central to behavior, and social-emotional skill building contributes to a healthier social learning environment.”* In addition, Ping states, *“Shared creative experiences can facilitate insight and empathy, which enable changing perceptions of self and others, social connections, and individual and collective empowerment.”*

We have program participants of all ages, with primary age group consisting of upper elementary and middle school students. Older youth mentor younger youth. Participation in our program has a wide-reaching effect, both to the families of participants and community members who mentor, teach, and interact with our students.

Research on factors promoting resiliency in youth at risk has shown that the consistent presence of a single caring adult can have a significant impact on a young person’s growth and development (Garmezy, 1993).

By the end of the 2014-15 school year, our students will have met and worked with two local artists from our gallery (one in ceramics and one in mixed media), two local textile artists through the theater program, a local photographer, and two local painters – all in addition to our skilled volunteers. These relationships formed with responsible adults in the community give our students a strong base of support everywhere they go.

We are welcoming to people from all backgrounds. We are accessible and inviting, and hope to become more accessible by incorporating handicap accessible ramps and restrooms into our historic building in the future. Everyone feels comfortable, regardless of socio-economic background. Because of this, we are well-positioned to reverse stigma. Our scholarship program ensures that financial barriers do not limit access to our quality educational opportunities.

For schools and preschools, the informal but guided educational experiences at our organization complement the more structured classroom learning and simultaneously build on their curriculum. Children in the rural Midwest have far fewer organized extracurricular options than those near cities or in large school districts. Too often, school sports are emphasized as the most acceptable way for students to spend time outside of the school day. Shepherd Gallery and Creativity Center is the only arts center in Clayton County, IA offering an after school program for students, and we believe we are reaching students who would otherwise fall through the cracks – students who might otherwise be unsupervised from the time the school day ends until their parents get home from work; students who don’t feel accepted by or are not interested in athletic programs; and students who simply can’t get enough art education to satisfy them with dwindling arts funding in schools.

For five and a half hours per week when school is in session, our students are not wandering the streets of Guttenberg in search of entertainment. They are participating in healthy, high-quality art experiences guided by trained professionals in a safe, nurturing environment. The Creativity Center has many outlets to offer students, including wheel pottery, acrylic and watercolor painting, mosaic, jewelry, fabric dyeing, precious metal clay, warm glass fusion, paint-your-Own

pottery, and a variety of other media. Program curriculum is strongly influenced by student interests and desires.

We strive to be excellent resources for schools, preschools and childcares, as well as groups like 4-H and Scouts. We bring together many different community groups looking to inspire young people, and the programming offered tends to be exciting and varied due to the collaborative efforts. We also strive to be a major tourist destinations in our small town, drawing families from all over the area. As such, we aim to boost the local economy. As the kind of amenity that makes a city appealing, we also help attract and retain skilled workers with young families who are deciding where to live and work.

2.3 PROJECT BACKGROUND

Following its inception in 2010, the Board of Directors of the Shepherd Gallery and Creativity Center concentrated its early efforts on creating awareness in the community of the after school program concept and laying a foundation on which a strong organization could be built. This involved, among other things: incorporating as a non-profit organization, refurbishing a historic building, applying for and receiving various grants, holding events, acquiring various media for use in the studio, printing a professional and attractive rack card, and setting up a website.

The process began in 2006, when Director Cindy Olsen acquired our historic building. She was granted nonprofit status in 2007, and with support from generous donors and sponsors and the hard work of volunteers, the after school program held its first session in April of 2010. After receiving a \$50,000 grant from Pepsi in 2011, renovations allowed the program to move upstairs into the Creativity Center.

Our space is roughly 2,000 square feet, split between the Creativity Center and its small storage area on the second floor and Shepherd Gallery plus a restroom and kitchen on the first floor. In keeping with its mandate to be affordable and accessible to all, there is no entry fee and no studio fee, meaning that unlike most paint-your-own-pottery style studios, we charge no fee for using the space – we simply charge per project for supplies used.

It is estimated that 120 students have received scholarships since 2010. Director Cindy Olsen, who is a licensed mental health counselor specializing in children and family counseling, works directly with students in the after school program on a regular basis. Other key leaders of the program since its inception in 2010 have included certified art teacher Heather Meyer, retired elementary teacher Laura Manson, certified instructor Joan Shannon, ISU Extension and art instructor Shannon Durbin, and artist / gallery and studio manager Molly Moser.

Students work collaboratively on group projects as well as individual art pieces, learning to paint, draw, work with clay, glass, jewelry, mosaic, textiles, photography, and many other media. Local artists are brought in as often as possible to foster meaningful relationships for students with adults in the community, as well as to teach their crafts and to show children that art is a valuable part of life. Projects aim to foster self-exploration and self-esteem.

Emphasis in the program is not placed on grades or volume of work produced. We encourage children on an individual basis to learn something new each day, take risks, and experiment, and

reward them for their ability to stay engaged with the creative process. We look for the blossoming of each child in the nonjudgmental, safe, and nurturing environment we provide.

3.0 ORGANIZATION OVERVIEW

3.1 STRUCTURE

Shepherd Gallery and Creativity Center is a not-for-profit organization operating a gallery and community art studio featuring an after school art program in Guttenberg. The organization is a registered 501(c)3 (number 37-1521325) with public charity status 170 (b)(1)(A)(vi). The organization is governed by an enthusiastic team of committed professionals from all walks of life who are determined to make the vision of Shepherd Gallery and Creativity Center a reality.

3.2 MISSION

Shepherd Gallery and Creativity Center is a nonprofit organization that provides high-quality community arts experiences for all ages in a safe, positive environment.

3.3 VISION

A safe, structured, nurturing environment for artists of all ages, Shepherd Gallery and Creativity Center is a gallery and community art studio in downtown Guttenberg that is a vibrant and welcoming hub for children and families, a resource for schools and artists of all sorts, and a major tourist destination.

3.4 OBJECTIVES

Supporting local artists (visual, musical, culinary, and more) by:

- showing local artwork in gallery – 27 artists in 2014
- showcasing local musicians at events - River of Music concert series showcases 10 area musical groups each summer
- giving artists the opportunity to connect with their audience through receptions and demonstrations – 2 receptions, 1 demo in 2014
- acting as a venue for arts educators to lead classes – Four local artists led 11 classes in 2014
- utilizing local chefs in café
- To create exhibits that will be unique and reflect Guttenberg's community, heritage, and landscape – Mississippi River Exposition summer 2015

Partnering with and supporting local businesses, groups, and individuals by:

- scheduling events in mutual benefit with area organizations – See partnership list
- encouraging, appreciating, and respecting community volunteers – Roughly 20 volunteers honored at an annual dinner and rewarded with gift certificates
- inviting and encouraging youth groups to utilize studio space – 4-H and art club utilize space once per year, scouts 5-6 times between various troops
- utilizing local food producers in café – See partnership list
- participating in and enhancing community wide celebrations such as Santa's Workshop, Germanfest, and Celebrate Guttenberg
- becoming a major tourist attraction in Clayton County, benefiting local businesses and

- the economy
- potential and current partners in Appendix D.

Providing diverse, quality art education for all ages by:

- holding classes in a variety of media and a variety of skill levels at a variety of times in and around Guttenberg – 11 classes offered in the studio in 2014
- Offering outreach programming to those unable to visit – 19 Canvas Uncorked outreach events in 2014

Offering networking opportunities for people interested in the arts by:

- hosting dinner parties, exhibition receptions, musical events, and other social gatherings with a focus on the arts: visual, musical, and culinary

Most importantly, giving students a safe, healthy venue for self expression outside of school by:

- providing quality seasonal after-school programming three days a week at no cost to students, families, schools, or the city
- bringing in local artists to teach specific lessons and interact with students, nurturing a partnership between adults and children – Local artists instructing have included Emily Moser, Gail Larson, Verna Lenth, Joan Shannon, Shannon Durbin, Cheryl Whalen, Molly Moser, Cindy Olsen and Steve Solomon
- offering students menu planning, cooking, work and volunteer experience in the cafe
- hosting youth clubs, private and public family events – 5-8 birthday parties per year, plus several staff bonding experiences from area college staff
- giving away 20-30 scholarships per school year – 19 scholarships were given during the 2013-14 school year; 26 were given during the 2014-15 school year
- providing an amenity that grants access to all socio-economic classes represented in Guttenberg

Financial objectives:

- To be financially sustainable, with roughly 70% of our income being earned from memberships, programming, special events, and gallery and studio sales, and 30% being contributed through annual giving and public and private grants. The board has set a goal for earned revenue not to fall below 60% of total revenue.

3.5 CURRENT FUNDERS

The Organization has received funding support for programs and operations from a number of organizations. Major granting organizations include the following:

Upper Mississippi Gaming Commission

McElroy Trust

Pepsico

Clayton County Foundation for the Future

Dubuque Racing Association

Iowa Cultural Trust

Media Partners include the following:

The Guttenberg Press

The Cresco Shopper

4.0 FACILITY

4.1 OVERVIEW

Shepherd Gallery and Creativity Center is located at 214 S. River Park Dr., directly across from Clayton Ridge Schools and the mighty Mississippi in the limestone Albertus building, a jewel among Guttenberg's many historic buildings. The facility is housed within a beloved and well-known building, and the organization prides itself on good stewardship by preserving and utilizing this fine example of our German heritage and sharing the story of the Albertus family, a family of German immigrants who built the two-part structure in the early 1850s.

The Albertus building was purchased by Keith Elwick, who with his family renovated the building in the 1970s. The building has two separate parts. On the south side, the building is three stories and contains a limestone basement known locally as the Rathskeller, two bed and bath units plus a spacious solarium on the main floor, and two upper floors that house Elwick family condominiums. The north side of the building houses Shepherd Gallery and a kitchen plus one bathroom on the first floor; and the Creativity Center plus a converted summer porch/storage room on the second floor. The north side of the building is partially surrounded by a privacy fence that creates our courtyard.

Since its completion, the Albertus building has been used for numerous commercial and residential purposes including a hotel, clothing store, grocery store, drug store, meat market and cigar factory. Upper stories of the building were primarily residential, as was our gallery/studio building, which was added on to the original three-story structure in the late 1850s. The building is on the National Register of Historic Places.

Renovations and developments to the north side of the building have been made possible by the generosity of donors, volunteers, and by the previous owner, Keith Elwick. In 2006 he gave generous terms to Cindy Olsen for the purchase of the adjacent two-story building. The building was purchased on a land contract with Elwick, which required no monthly payments and a potential balloon payment of \$70,000. Olsen has been the motivation behind the major renovations that have taken place since then to bring this Iowa landmark back to life and to accommodate both the gallery and studio.

In 2006, the building was vacant, without power and water, and was essentially abandoned. Renovations began with meager start-up funds, hard work and focus on the vision. The original limestone walls were uncovered by beating plaster off the walls with tire chains. The limestone was tuck-pointed, and since then other revisions have included new lighting, new flooring, the framing/building of a new kiln room, painting, general cleaning, new heating and cooling systems, a new water heater, new wiring, insulation, kitchen and bathroom fixtures, and kitchen appliances. We are proud that local contractors and suppliers were the primary source and providers for all of this work.

Our community art studio, The Creativity Center, located on the second floor, was also a part of renovations. A new staircase, work stations, shelving, studio supplies, counters, cupboards, pottery wheel, fusion glass and mosaic supplies, ceramics and other general art supplies were all

part of the dream.

In 2014, Shepherd Gallery and Creativity Center held what will be the first of many events in the central part of the three story building, with hope of expanding slowly outside our current walls and into that additional space by hosting events and programming in the Rathskeller and two bed and bath units.

Following are descriptions of the five + revenue generating spaces the organization can access.

4.2 CREATIVITY CENTER (STUDIO)

The Creativity Center is a community art studio and is home to the after school art program. The roughly 1,000 square foot space contains a small storage room in a converted summer porch and a desk for staff and volunteers, leaving the majority of space for artists to work. There are currently seven tables for workstations, plus several countertop workspaces, equipping the studio for a maximum of 27 working artists at a time. We have four stationary pottery wheels plus two table wheels that can be used in the studio or for outreach. Our studio contains supplies for warm glass fusion and a glass kiln, as well as supplies for creating jewelry with beads or from precious metal clay, dying fabric, making mosaics, painting glass, making wind chimes, and glazing pottery, which includes a wide selection of pre-fired bisque. Keeping supplies in stock for the studio is one of our main operating expenses, and we are always looking to add new media to enhance the studio experience.

The Creativity Center is open for the after school program on Mondays, Wednesdays and Thursdays during the school year and is also open to the public with seasonal hours throughout the year. From Memorial Day – October, the studio is open 10:00 am to 5:00 pm on Monday, Wednesday, and Thursday, and Friday 1:00 – 5:00 pm. Saturday hours are 10:00 am – 4:00 pm. Due to a decrease in tourist traffic during the winter, after October hours are limited to Wed. – Fri. 1 – 5:00 pm and Saturdays 10:00 am – 3:00 pm. After Christmas and until May, those hours remain the same with the exception of Saturdays being by appointment only.

Our goal is to be able to afford to hire Saturday staff at minimum wage for the gallery and studio. As of May 2015, we have hired one adult Saturday staff at \$9 per hour. The pool of applicants could come from our group of dedicated volunteers as well as from our older, more seasoned after school students age 16+.

4.3 ARTISAN CAFÉ AND COURTYARD

Shepherd Gallery and Creativity Center intends to partner with a local chef to provide fresh, locally grown and produced food and beverages in our commercial kitchen. Our chef has agreed to come on board to run the Artisan Café and Courtyard on a part time basis, which is all that will be required initially as the café will serve coffee and espresso drinks, fresh fruit smoothies, pastries, paninis, and other seasonal fare during mornings and over lunch several days a week. The café will supplement our other income and is one more step on our path to sustainability.

The organization feels that to most effectively meet the demand of its clientele and maintain a

profitable business model, the space would be best utilized by a coffee shop and small bistro versus a full-scale restaurant. We envision our paved courtyard to the north of the building will serve as a dining area, and customers will order either at the window between the gallery and kitchen or at the sliding screen between the kitchen and courtyard. There will be an emphasis on environmental friendliness by utilizing local food vendors, providing well-marked, easily accessible receptacles for compost and recyclable dishes, and by purchasing recycled furniture for the courtyard.

The summer porch on the first floor, behind the gallery, is being converted into a commercial kitchen. While there are limited options for food in the immediate area around the Albertus building, the organization does not feel the demand for a full-scale restaurant would be feasible.

There are 13 food vendors in Guttenberg. Competing breakfast/lunch venues in town include restaurants like Rausch's, Riverview Café, the Stadium Bar and Grill, and Sode's, which offer typical meat and potatoes or sports bar style menus. The Riverside Grind is a local coffee shop with similar hours serving pre-cooked, outsourced food items; Blooming Branches offers powdered coffee drinks and smoothies, and The Picket Fence Café offers local, non-vegetarian sandwiches. Greaser's is open March – Oct. and serves boaters through a drive-up window. 2010 data from Esri shows nearly \$400,000 of estimated leakage spending (unsatisfied need) on food and drink, where insatiate Guttenberg residents are leaving the city to spend that amount at restaurants in other areas.

MENU

The actual menu items will be discussed in partnership with Clayton Ridge High School students and older, interested after school students, who will be invited to participate in menu planning, design of actual menus, and given every reasonable opportunity to participate in the café, including the opportunity for employment. We consider the culinary arts to be one of the artistic media we offer. Lessons from the café in healthy, local food options will be incorporated into the regular after school program.

However, the menu is anticipated to include the following types of items:

Beverages: coffee, lattes, tea, bottled water/pop, juices, milk, soy and almond milk options
with coffee beans from Big Muddy Coffee by Barb Arthur

Fresh smoothies

Soup, salads, and sandwiches with ingredients from Vifian Farms and River's Edge Bakery
Honey provided by Carol O'Brien and maple products provided by Tim Oliver or the Pottery
Family

Pastries, fancy chips, muffins, and rolls from River's Edge Bakery

During adult evening events, wine by PromiseLand Winery and other local vintners

Offering a variety of meatless options would make us the only venue in Guttenberg with a vegetarian-friendly menu.

Menu items for breakfast will range from \$2 - \$8. Lunch items will range from \$4 - \$10. Seasonal soups and specials will be offered. Hours of operation in our long-term vision would be 7:30 a.m. - 1:00 p.m. to capture before-work and before-school student traffic, and to capture lunch

traffic. The café will be open Monday and Wednesday – Friday with the above hours, and will be open seasonally on Saturdays 10-4 in conjunction with gallery and studio hours.

To start, the Cafe will be open specifically for special events. Then, as things progress, 1-2 days per week to allow staff to get a feel for the costs and demands of a food service operation. Caroline Rosacker will be head cook, and additional staff will consist of one to two high school aged students (scheduled one at a time, as needed) interested in culinary arts to help before school begins and on Saturdays. Motivated students have already been targeted.

In discussions with comparable facilities it was found that most do not offer full-scale food service; however, some have a small café. Those with a food service are subleased and their vendors are offered simple options that work for children and adults. Most organizations bring in outside caterers for meetings and events, but we would strive to cater our own events.

There will be minimal seating in the gallery, making winter operations slow to carry-out and beverages only. The courtyard will seat roughly 26 patrons.

The site consists of a 900 square-foot outdoor, paved patio, a 26 x 8 square-foot kitchen, and a bathroom shared with the gallery and studio. To be used as a restaurant, this space needs a triple sink, a commercial cooler (purchased April 2015), a cash register, an espresso machine, and a wine and food license. We already have countertops, a stove and oven, refrigerator, Panini press, crepe maker, mini pie machine, convection oven, toaster oven, quadruple crock pot, non-commercial grade coffee and espresso machines, and a microwave. With materials bought on sale and volunteer labor, the cost of a new sink to make the kitchen commercial-ready will be \$300-400.

With bargain (but quality) equipment, materials bought on sale, and a grant for \$1400, the cost to launch will be about \$4500. Other startup expenses will be disposable recyclable dishes, furniture, food inventory, initial part-time salary for our employees, and marketing. A bid for \$2,700 will pave the patio, completed as of April 16, 2015.

The Industry

Eating out is a growing trend as people are increasingly pressed for time and enjoy this convenience. Breakfast and lunch are popular, as workers and business owners often choose not to “brown bag” meals. Students have expressed interested in ordering coffee, breakfast, and smoothies before school and during open-campus programs, as well as an alternative to school lunch.

Choosing healthy, low-fat food is a concern, but studies have shown that people are ambivalent about it and continue to choose high-fat foods. Our menu will address this by preparing delicious, fresh foods in such a way that people won't realize that much of the unhealthy fat has been removed simply by offering non-processed menu items.

Objectives, Goals, and Strategies

The Artisan Café and Courtyard will offer a fresh point of view on Main Street. The menu will

change seasonally, the service will be good, and the food will be the best. The restroom will be clean.

There are three influential key success factors and activities that will contribute to the accomplishment of our goals. These factors include: our ability to use our historic location directly across from one of the largest employers in the community (the school) and just blocks from another large employer (the hospital) and the downtown during tourist season; keeping variable and overhead expenses as low as possible (no rental fee, using local, seasonal ingredients); and building high market visibility through brand building and advertising.

With respect to the business transaction, we will deliberately choose to be distinctive and unique in our customer experience. The Café will present an image of unique, healthy food in an attractive and clean atmosphere. The gallery will be classy, quiet, and upscale, with work by local artists hanging on the walls, while the courtyard will be vibrantly colored and informal.

Signage will be large enough to be read from the street, and will be designed to promote the Café's image. A sandwich board on the sidewalk will list the daily menu. Comment cards will be collected at the register. Suggestions for new or improved meals will be sought, as well as feedback on service and the dining experience.

Target Market

Business Owners & Workers - During the week, 819 people who live outside of Guttenberg come to work in Guttenberg. Another 292 people live and work in Guttenberg, and 650 people who live in Guttenberg travel elsewhere for work. All 1,761 of those people are in the target market.

Most of them work by 9:00 in the morning, so the Café will open at 7:30. This group includes workers in educational services, health care, and social assistance, retail, manufacturing, and construction. This group will form the base clientele, as many will be repeat customers. Fast, accurate service will be provided, as these customers often have limited time to eat.

Nonworking Local Residents – The total population of Guttenberg is 1,919. Subtracting the 942 in the labor force, this leaves a large portion of the population who is either retired, in school, or unemployed. 533 people are over age 65, and 219 students are enrolled in Clayton Ridge High School, which is located directly across the street from the café. Students and retirees are also a part of the target market.

To attract their business, small ads will be placed in the local newspaper. Specials will be promoted with an A-frame sign and, during slow periods, coupons and "2-for-1" deals will be offered with signage highly visible to students. Student participation in menu planning and as employees will also encourage student customers before school for coffee, smoothies, and breakfast items, as well as during the lunch hour. Menus will be distributed to local businesses, and calling in orders will be encouraged. Take-out will be attractively packaged and given equal priority to sit-down services.

Tourists – Two byways, Great River Road and the River Bluffs Scenic Byway, pass through Guttenberg bringing tourists to our river community, especially during summer and fall. In 2011, Clayton County earned over \$30 million in tourism expenditures. To capture tourists, menus will be distributed to the local lodging establishments to encourage their guests to come to the Café. We will take advantage of free listings in statewide and regional tourist guides and publications, as well as utilizing our local tourism board by purchasing annual memberships. Menus will be placed at information booths and other spots likely to have tourist traffic, such as near the marinas, at the welcome center, and at the overlooks.

The Café will leverage the internet as part of its marketing presence. Its website is www.guttenbergcreativitycenter.com. A sample monthly operating budget is included in Appendix C.

4.4 SHEPHERD GALLERY

Shepherd Gallery showcases the work of artists living, working, or connected to Guttenberg and the surrounding area. We support artists by giving them a venue to exhibit and sell their work, and we give them opportunities, through demonstrations and receptions, to network with their audiences. We also display and sell work made by staff and volunteers in the Creativity Center.

Shepherd Gallery does not purchase work from artists. The gallery earns commission on consigned work at a normal rate of 40% of sale price. Volunteers may sell their work in the gallery and as a thank-you for their time, we offer them a 70/30 commission. We also often have a ‘featured artist’ who is new to the gallery with a large showing of work, who receives a commission rate of 75/25 during their time as featured artist. Featured artists are also given special recognition in our newsletter and on our website, and are invited and encouraged to hold receptions or demonstrations during their exhibitions. Finally, we incentivize the participation of all our consignors by offering them a commission break of 70/30 if they provide a free demonstration or workshop to our audience.

We strive to offer a variety of media in a variety of prices to make the gallery accessible to a wide audience. For example, 2-D artists are encouraged to provide lower-cost prints or notecards in addition to original works of art. The gallery displays ceramics, glassware, sculpture, functional art such as bird feeders and small furniture, jewelry, photography, paintings, and more. When creating our own work for the gallery, volunteers and staff aim for a variety of price points.

Shepherd Gallery is open whenever the Creativity Center is open. Our goal is to be able to afford to hire Saturday staff at minimum wage for the gallery and studio. The pool of applicants could come from our group of dedicated volunteers as well as from our older, more seasoned after school students age 16+.

Esri shows a retail surplus in Guttenberg with regard to home furnishings and gift stores, but it should be noted that Shepherd Gallery is the only retailer in Guttenberg specializing in high quality, handmade, one of a kind art pieces.

4.5 LEASED SPACE

Preliminary discussions with the Elwick family are underway regarding an agreement for

Shepherd Gallery and Creativity Center to utilize the first floor and lower level of the adjacent portion of the Albertus Building. The agreement will take shape allowing Cindy Olsen to convert the Gutenberg Haus Bed and Bath, with two 1-bedroom units, into storefronts for retail. Olsen would find shop owners to rent the spaces at \$300 per month plus utilities, and would manage those renters on behalf of the Elwicks. Whether the spaces could be altered to remove the bedroom and open up floor space for a shop remains to be determined.

The Elwick family would receive monthly rent from the two shops, and in exchange for her contribution, Cindy Olsen on behalf of Shepherd Gallery and Creativity Center would receive free, unlimited access to the solarium and the Rathskeller in the rear and lower level of the building for classes, workshops, events, fundraisers, and other uses to benefit the nonprofit.

Until retailers are found, another possibility is to host artists-in-residence who will be given living space in one bed and bath unit for 4-6 weeks at a time, and will also be given reasonable access to supplies and studio space in the Creativity Center. In exchange, the artist will hold a closing exhibition and reception during the last weekend of the residency, and will engage our audience by hosting one program during the residency that is relevant to their work. The artists will also be required to work in the gallery and studio each Saturday from 10:00 a.m. to 4:00 p.m. during their stay.

4.6 COURTYARD

The courtyard to the north of Shepherd Gallery and Creativity Center will be paved and furnished as an outdoor café with chairs, tables, and receptacles made of recycled and weather resistant materials. A sound system, donated by Mayor Russ Loven and his wife Juanita, will provide music to the courtyard. During the day, the courtyard makes a wonderful space for outdoor art activities with our after school students.

Live local music, game nights, and other events will be held during warm weather in the courtyard. The organization could charge entry fees or ask for donations to make the space a revenue-generator, and also expects to receive a wine license which would allow us to sell local wines during such events.

5.0 MARKET ANALYSIS

5.1 TARGET MARKET

The organization's market will include local residents, tourists, parents and students. 1,919 people live in the City of Guttenberg and surrounding area, and of that number, 330 are school-age children. Each year, approximately 5000 out-of-town visitors come to the area, and many of these visitors are seeking an entertaining and educational experience for themselves and their families. The organization will fill this need in an engaging, interactive and fun manner.

The target audience for the after school program is children between the ages of 11 and 18 and their parents, caregivers, and teachers. Target audiences for events vary, and the target audience for Shepherd Gallery is seasonal tourism.

After School Target Audience: Enrollment at Clayton Ridge Schools in Guttenberg has fluctuated between 600 and 650 since 2005, with another 100 students attending St. Mary's Immaculate Conception School in Guttenberg. Thus far the after school program has attracted mainly middle school-aged students, of which there are an estimated 200 attending school in the Clayton Ridge School District.

Event Audience: Our target audience for events is dependent upon the event. We strive to offer events for children, teens, and adults of all ages through our various programs, described later in this document. We travel throughout Clayton (population 18,000), Delaware (population 17,500), and Dubuque (population 95,000) counties teaching painting and other classes.

Studio/Gallery Audience: While we are fortunate in having local support for our fundraising, after school program, and events, we find that the majority of customers in the gallery and studio are among Guttenberg's seasonal tourists. Tourist season begins when the river becomes available for recreational use in early summer and continues through leaf change in the fall. That gives us roughly five to six months of peak season and six to seven months of off-season in the gallery and studio. For that reason, we've partnered with higher-traffic retail venues in and around Guttenberg to highlight our in-house gallery work during our slower months.

Customers in the gallery are often shopping for gifts and one-of-a-kind souvenirs from their time in Guttenberg. Gallery sales reports show that in 2014, prints were the best-seller, bringing in \$1,400. Close behind were glass pieces (\$1,200), jewelry (\$1,150), and ceramics (\$1,000). For more details, see Appendix E.

Customers in the studio are often looking to bond with family and friends through a creative activity, are excited to learn a new media, or are making gifts. In the studio, top sellers in 2014 included ceramics (both paint-your-own and wheel pottery) at \$3,700 and glass projects at \$3,300. Painting projects earned another \$1,000, and all other media were significantly less productive.

During peak season, June – December, total earnings were \$27,627 in 2014. Those earnings included \$2,500 in the gallery, \$4,250 in the studio, and \$8,500 from events. Total revenue during the off-season, January – May, was \$17,670, including \$289 in the gallery, \$4,638 in the studio, and \$2,791 from events.

Two byways, Great River Road and the River Bluffs Scenic Byway, pass through Guttenberg bringing tourists to our river community, especially during summer and fall. In 2011, Clayton County earned over \$30 million in tourism expenditures. To capture tourists, rack cards and event schedules will be distributed to the local lodging establishments to encourage their guests to visit the gallery and studio. We will take advantage of free listings in statewide and regional tourist guides and publications, as well as utilizing our local tourism board by purchasing annual memberships. Rack cards and event schedules will be placed at information booths and other spots likely to have tourist traffic, such as near the marinas, at the welcome center, and at the overlooks.

The organization heavily utilizes the internet, including a website, monthly email newsletter, and Facebook to advertise, promote, and inform.

5.2 SIMILAR FACILITIES

Similar facilities that exhibit art, teach classes, or contain community art studios or any combination of the above within the tri-county area of Clayton, Delaware, and Dubuque counties are the McGregor-Marquette Center for the Arts, Matter Creative Center of Dubuque, and Plum Creek Art Center of Fredericksburg (located in Chickasaw County). Each of these organizations has followed a trend started by Shepherd Gallery and Creativity Center, opening in years subsequent to the establishment of our organization.

There are over 100 galleries in Iowa and 35 similar community art organizations (not including arts councils) in the state. In northeast Iowa, here defined as north of Highway 20 and east of I-35, there are six community art organizations: Charles City Arts Center, Hearst Center for the Arts (Waterloo), McGregor-Marquette Center for the Arts, Dubuque Chorale (community vocal group), Dubuque County Fine Arts Society, and Matter Creative Center of Dubuque.

After School Art Program (ASAP) in Des Moines offers a similar program to students in its audience, consistency, and the fact that it's not simply a childcare facility offering art experiences.

The nearest community art studios are: **Matter Creative Center**, located in Dubuque, which is 45 minutes away. Matter does not offer a free after school art program for students, but does offer similar classes and events. Matter has a paint-your-own-pottery studio, but does not offer any other media during open hours. **Maquoketa Arts Experience**, located over an hour away, offers classes and open studio hours but only holds workshops for children in the summer. The Hearst Center for the Arts, located over an hour away in Waterloo, has many courses for children and adults but does not hold open studio hours.

While other facilities outside of Clayton County offer similar programming, it can be concluded that at this time none offer open studio hours in the wide range of media offered by the Creativity Center, and none offer consistent, free after school art programming to students.

5.3 LOCAL ATTRACTIONS

Shepherd Gallery and Creativity Center offers services and opportunities otherwise currently unavailable in Guttenberg. While there are some great facilities for children in the area, there are none that are both completely hands-on, art-related, and educational. While the McGregor-Marquette Center for the Arts exhibits the work of regional artists and occasionally holds events for children, they do not have a community art studio or hold regular open hours for students to create work.

On the other hand, civic facilities, such as the City's pool, gym, and playground, provide venues for active play but are not specifically educational. The Creativity Center provides both of these attributes, and in doing so brings something unique to Clayton County.

The following is a list of facilities that families in Guttenberg visit. It has been indicated next to each facility listed whether the facility offers active play and programming, has educational and cultural components, is for all ages, and is a year-round facility. While many facilities offer some of these elements, Shepherd Gallery and Creativity Center is the only facility that provides the unique combination of all of these elements.

Other Family Facilities in Guttenberg:

Facility	Active Play	Programming	Educational	Cultural	All Ages	Year Round
Swimming Pool	<input type="checkbox"/>		<input type="checkbox"/>		<input type="checkbox"/>	
Events/Festivals		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
City Parks/Skate Park	<input type="checkbox"/>				<input type="checkbox"/>	<input type="checkbox"/>
Lockmaster's House			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Restaurants/Cafes					<input type="checkbox"/>	<input type="checkbox"/>
Library		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Shepherd Gallery and Creativity Center	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The number of facilities and activities for children in Guttenberg has not grown or evolved in recent years. Numerous organizations were contacted regarding attendance at their facilities and demand for programming. Most organizations indicated that their children's programs fill up very quickly and that they often have to turn children away.

The community survey conducted by Shepherd Gallery and Creativity Center in February 2015 addressed community needs. Based on the feedback, it seems that there is a real need and desire for a facility such as Shepherd Gallery and Creativity Center in Guttenberg. Survey results are available in attached documents.

6.0 VISITATION, PROGRAMMING AND OTHER REVENUE

6.1 VISITATION

We have estimated annual visitation to the Organization to be 6,000 visitors per year. Nearly 2,000 visitors were attending specific events. Over 150 were attending the after school program.

One goal of launching the Artisan Cafe and Courtyard is to increase regular, non-event attendance. The MMCA estimates their annual visitation at 10,000.

Comparable Organizations

Direct comparison of visitation at other similar organizations can be difficult for a number of reasons. The quality of the facility and “attractiveness” can vary widely. Also, many are packaged with other attractions and are not directly comparable. Other major differences can include the location of the facility and the population and demographics of the city.

6.2 ADMISSION RATES

Admission to Shepherd Gallery and Creativity Center always has been and will remain free.

6.3 MEMBERSHIPS

Organizations generally offer memberships to users that allow for unlimited visitation to the facility as well as other benefits such as discounts at the gift shop, member events, and newsletters.

Most organizations offer individual memberships as well as family memberships. Some organizations have multiple levels of memberships that allow for a specific number of family members to be included. Other organizations allow all family members that reside in the same household to be included for the same price. Some organizations offer corporate memberships; however, in discussion with comparable facilities, it was suggested that corporate memberships may deter organizations from further sponsorship or donation.

Shepherd Gallery and Creativity Center does not charge admission; and thus offers member benefits as follows:

“For your commitment of \$5 a month, you'll receive a subscription to our monthly events e-newsletter, an invitation to a member orientation program, and the opportunity to attend preview parties for any Shepherd Gallery 'Evening with the Artist.' All members are invited to join or start member clubs for specific areas of interest.

Watch as your membership breathes life into the arts in your community. As membership grows, our courtyard will literally be filled with color. Using your color of choice, Creativity Center volunteers will paint a fence post in honor of each charter member.”

In May of 2014, we launched a membership campaign for sustaining donors at \$5 per month or \$60 per year. Nine months into our membership campaign, the organization is disappointed with results thus far having gained only 27 individual members.

Goal: By October 15, 2015, we will roll out a membership plan for end-of-year giving. Making first contact with a written document that can be re-used every year, we will invite current sustaining members to renew at \$60 while also inviting larger gifts.

Considerations for the new membership framework include using three levels, \$60, \$500, and \$1000, and naming them after artists – Rembrandt Level, Van Gogh Level, etc. We need to brainstorm (and could utilize the advisory committee to do so) what that framework looks and feels like, including membership benefits, follow-up protocol, etc.

The pricing of memberships among the comparable facilities reviewed varies considerably. The MMCA uses their municipal utilities building to send a free membership mailing in April (their season is May-October. In May, a mass mailing to individuals outside of the McGregor area included the membership opportunity along with a newsletter and announcement of the opening events. About half of MMCA membership came from this activity. The membership is \$25/family and in addition to this amount, an equal amount was received as a donation to the Art Center. Each person/family receives a personal thank you and a tax receipt.

Matter Creative Center has a 'sustaining donor' program which accepts monthly donations of \$5-\$50 that are automatically withdrawn from donors' accounts.

6.4 PROGRAMMING

In addition gallery exhibitions, the organization will offer ongoing programming in the studio and in the courtyard, as well as through outreach efforts. Rotating and varied programming draws in new audiences and retains current ones, and generates extra earned income. Programs are often designed in partnership with other community groups. Whereas gallery exhibitions are accessible to all ages, programming can be targeted to benefit specific age groups. Some programming ideas include but are not limited to:

Private Parties: A common program/service offered by comparative facilities is children's birthday parties, private parties, and corporate team building activities. These parties are often themed and can incorporate studio projects, courtyard space, or the cafe in addition to the designated party space. Pricing options at similar facilities are traditionally based on the size of the group and length of the party, but the Creativity Center simply charges per project (or food item) and asks for a donation for the use of space outside of regular hours by private groups.

Educational Classes: Another opportunity to expand our audience and generate revenue, educational classes are typically offered at comparable facilities for age groups ranging from pre-school age children to adults. Some examples of potential classes include adult and children's classes in a variety of media offered in the studio, parent/young child partner classes, one-time workshops, tie-ins with school programming, cooking classes, and more. We would also like to extend personal invitations to area schools, homeschools, children's groups, and adult groups including businesses to utilize the studio for specific projects and experiences.

Adult Only Nights: These events focus on a more mature demographic. Playing off the appeal of our unique atmosphere, adults are invited for an evening of fun. These events are popular in communities with comparable facilities. Events often include live music and a cash bar. Shepherd Gallery and Creativity Center hosts various BYOB events, including Diva Night, and also travels for Canvas Uncorked, a series of social canvas classes held at venues that offer food and adult beverages. Other events could be held in the Rathskeller.

Camps: Most comparative facilities offer summer camps and camps during school holidays. These camps are usually themed and tie in an educational component. Some facilities have generated impressive participant rates. It is interesting to note that many organizations would

provide more camps; however, camp offerings are contingent on the availability of staff. Camps could be and have been held in partnership with other organizations, including the Clayton County Extension, and have met daily, weekly, etc. during summer and holiday breaks as well as after school.

Umbrella Arts: Umbrella Arts is a framework for arts enthusiasts to gather, generate and execute new ideas, and support local art. The group plans and executes events and gives 10% of income to Shepherd Gallery and Creativity Center in exchange for inclusion under our nonprofit umbrella. In 2014, Umbrella Arts donated \$1,600 to the Creativity Center.

Other programming ideas that we've had but not yet acted on or that are offered at comparable facilities and could be adapted for our use include the following:

- An artist-in-residence
- Outdoor nature excursions – mixed media/found art
- Puppet and costume making
- Creating and starring in a play
- Sewing, weaving and knitting
- “Artists in our city” activities
- “Artists around the world” activities
- Culinary arts classes
- Creative writing
- Live music/open mic/karaoke nights in the courtyard
- Glass blowing
- Kitchen sharing
- Wine tasting
- Spiritual art workshops
- Meditation and/or drum circles in the courtyard
- Sculpture classes
- Utilization of the Rathskeller

Outreach Program: The organization will continue to seek opportunities to bring programming into the community. For example, we currently have a presence at many of the summer festivals, and we travel with classes to businesses in Edgewood, Manchester, McGregor, Guttenberg, Millville, and Dyersville. In the future, we would like to expand this to include bringing programming to rural communities and schools, schools and preschools who find it difficult to visit for any reason, and area hospitals where children are staying.

6.5 PARTNERS

There are many organizations that have expressed interest in partnering with Shepherd Gallery and Creativity Center with respect to exhibits, programming, and other arrangements. The potential partners and opportunities are outlined in Appendix D.

The organization welcomes partnerships with other organizations that have experience and service offerings in different areas. This will serve to diversify and strengthen our programming, as well as our ties to the community.

6.6 FACILITY RENTAL

Rathskeller

As outlined earlier, parts of the Albertus Building will be rented out to interested groups when the space is not being used by the organization for programming. According to preliminary discussions with the building's owners, Shepherd Gallery and Creativity Center could manage the rental of the two B&B spaces in exchange for unlimited use of the Rathskeller and adjacent solarium. Shepherd Gallery would not receive dollars from B&B rental.

The following outlines a preliminary list of groups that may be interested in renting the Rathskeller/Solarium:

Private parties

Dance/yoga classes

Film screenings

Theatrical groups

Musical groups

Artist groups

Potential for a restaurant

Seating capacity of the Rathskeller is about 80 maximum, with 60 comfortably. If and when we are able to utilize this space during warm weather months (lack of furnace makes it difficult to use in winter), we will use introductory rates to 1.) Make it feel like a bargain. "Book now for special introductory rates!" and 2.) Use this rate until we figure out what issues may arise and whether we need to raise/lower cost in conjunction. Considerations include cleaning, keys, kitchen use, and weekend rentals for families using B&Bs with reunions/events in the Rathskeller/Solarium. Rental season 2015 could be May – October with introductory rates.

Rental rates for the ballroom at the Guttenberg Municipal Building, another unique space with a much larger area are: Parties - \$155 for space plus kitchen for a whole day, plus a refundable security deposit of \$310 OR \$105 for just the space, no kitchen, plus a refundable security deposit of \$210

Classes - \$25 per class, up to 1.5 hours

Meetings - \$40 for any length of time.

Nonprofit organizations can use the space once a month at no charge.

B&B Rental

Retail or housing rental rates for the B&Bs will be determined by the Elwick family.

6.7 SCHOOL GROUPS

While organizations often host school groups on field trips, galleries and studios are less likely to do so. However, with our regional artists on exhibit in the gallery and our wide array of activities in the studio, Shepherd Gallery and Creativity Center is an ideal field trip location for area schools on a budget.

As part of the business planning process, a survey was distributed to educators in the Guttenberg area. Several questions were intended to gauge the likelihood that teachers would bring their classes to the organization. Results, as shown in the attached document, show that teachers are open to utilizing the gallery and studio but would like more information in the form of classroom demonstrations and tie-ins to their curriculum.

6.8 FUNDRAISING EVENTS

Fundraising events are often another aspect of sustaining a nonprofit's ongoing operations. However, events require a great deal of planning, time, and organizing. Fundraising events often take years to mature into a significant or successful event and so patience is required. With prudence and persistence these events can generate significant revenue for an organization. For example, according annual reports, Madison, Wisconsin shared that they were able to raise \$135,000 for their capital campaign through their Wonder Ball Fundraising Gala. It was so successful they have continued to host the ball annually.

The McGregor Marquette Center for the Arts lists membership as their only significant fundraiser. MMCA uses their municipal utilities building to send a free membership mailing in April (their season is May-October. In May, a mass mailing to individuals outside of the McGregor area included the membership opportunity along with a newsletter and announcement of the opening events. About half of MMCA membership came from this activity. The membership is \$25/family and in addition to this amount, an equal amount was received as a donation to the Art Center. Each person/family receives a personal thank you and a tax receipt.

Another benefit to fundraising events is their likelihood of targeting new donor sources – individuals who would like to contribute on a smaller scale or would otherwise not have been involved with the organization. Fundraising events are one avenue to avoid donor fatigue of the larger supporters.

Santa's Workshop / Extravaganza - Santa's Workshop is an annual fundraiser that earns about \$300 by partnering with the holiday extravaganza to entertain children while parents shop at the extravaganza. Volunteer Heather Meyer has historically helped with this program by managing and overseeing the program on the day of, when participants choose holiday-themed bisque pieces to paint, then decorate wrapping and make cards to give as Christmas gifts.

Shepherd Gallery and Creativity Center recently took over the Holiday Extravaganza, a shopping event that invites local vendors to purchase booth space and sell their goods to shoppers. The Extravaganza is held during a GD&T organized holiday shopping weekend in Guttenberg. In 2014, we earned \$680 from vendor fees.

Membership program – We have a rolling membership program and are always inviting people to become a sustaining member at \$5 per month with automatic check withdrawal. This membership program will be revamped for the 2016 membership drive.

Annual fundraiser dinner – This is a potential fundraising event that would incorporate live music in the courtyard or Rathskeller, food in the solarium cooked in B&B's. Using the format of Abode

Solo, our first event in the Rathskeller, we would tie in with a current event such as the Oscars (and could partner with the country club or other venues to hold this event) or community festivals like Germanfest. It will be important to select a format for the annual fundraising dinner that is joyful for board members and those planning as well as the guests.

Other fundraising events could include:

Gallery grand opening artist reception at the beginning of each spring, paired with live music, food, and wine

River of Music takeout/boxed lunches from café.

High Tea in Solarium

Art festival in the park with live music

7.0 OPERATIONS

7.1 GENERAL OPERATIONS

The organization is expected to be open to the public as outlined below:

January – May

Wednesday – Friday, 1:00 to 5:00 p.m.

June – December

Monday, Wednesday-Thursday, 10:00 a.m. to 5:00 p.m.

Friday 1:00 to 5:00 p.m.

Saturday, 10:00 a.m. to 4:00 p.m.

The hours will be revisited in the summer months with potential to remain open late one evening a week. The hours will reflect demand and customer feedback. The organization will also run after hour events and rentals with flexibility to accommodate the parties of interest.

7.2 BOARD OF DIRECTORS

The current Board of Directors includes a small number of strong Board members with diverse backgrounds. The Board has led the development of the Organization and is currently championing the launch of the Artisan Café and Courtyard. Due to the nature of the current operations and limited budget, many of the Board members have operational duties as well as oversight responsibilities. The current Board consists of the following individuals:

Cindy Olsen, Director/CEO
M.S. LMHC

Steve Solomon, Volunteer

Kim Gau, Community Member
CEO, Guttenberg Municipal Hospital

The Organization also has an Advisory Board who meets biannually and acts as a sounding board for the current Board of Directors. Made of community members, artists, parents, students, volunteers, teachers, and friends of the arts, this Advisory Board's role is give input about

Shepherd Gallery and Creativity Center's programs, services, marketing, and more, and to help us stay in touch with the community at large. Advisory board members are our advocates, acting as a voice for supporting the arts and informing others about our programs, fundraisers, and events - even if that simply means giving our contact information to someone with a question.

The Advisory Board consists of the following individuals:

Juanita Loven, Umbrella Arts chair and Guttenberg First Lady
Gail Larson, artist, volunteer, donor, and Clayton County arts expert
MJ Smith, Director of Affiliate Foundations, Community Foundation of Greater Dubuque
Tina Brown, parent, along with Reagan and Elliott Brown, after school program participants
Laura Manson, artist, volunteer, retired teacher
Shannon Durbin, teacher, artist, ISU Extension office

Other potential members include:

Sara and Brian Lawrence, parents, CRCSD teachers, along with Cora Lawrence, after school program participant
Angie Cook, area art teacher
Heather Meyer, area art teacher, volunteer, artist
Toni Schuster, volunteer, friend of the arts

It is expected that the Board of Directors for the organization will change and evolve as the organization grows. Most of the current Board members will remain for continuity purposes; however, additional Board members with specific expertise will be recruited to be part of the new Board. A key priority will be recruiting individuals to the Board and/or committees who are seen as leaders and are well connected in the community to assist in fundraising activities. If willing, some of the individuals on the current Advisory Board may be able to fill this role.

The Board is anticipated to include 3-5 members with broad expertise including expertise in the following areas: fundraising, accounting, legal, childhood education, organization and/or attraction operations, and marketing. Several members of the board are engaged in daily operations and those roles will continue for the foreseeable future. Advisory board members may form project-based committees at the request of the board.

7.3 HUMAN RESOURCES

Proposed Staffing Structure

The proposed staffing structure of the organization is illustrated below. Our business model may be unique, but it has been compared and contrasted to others.

The McGregor Marquette Center for the Arts (MMCA) is open 7 days a week, 9:00 a.m. to 5:00 p.m. There are three women hired to work the gallery. On the weekends and holidays, artist volunteers assist in the gallery. The gallery workers have little decision-making authority other than the day-to-day operations.

MMCA has a nine member board of directors who meet bi-weekly with the usual officers; president, vice president, secretary, and treasurer. The gallery manager has little decision

making power and no spending power unless it has first been approved by the Board. For example, a POS system was donated to the Art Center and the manager had no voice in changing from the old by-hand method to the electronic system; the board said it will be done. All of the operations go through the board but underling committees do the much of the work. The Art Center is a non-profit corporation so follows those legal requirements.

Roles and Responsibilities

The roles and responsibilities of the key employees have been outlined below:

Director

The volunteer Director will be responsible for providing the necessary leadership to fulfill the mandate of Shepherd Gallery and Creativity Center in an effective, efficient, legal, and fiscally responsible manner through:

Overseeing its general operations, administration, facilities, staffing and volunteerism, development, fiscal management, communications, programs, and exhibits;

Supporting the Board of Directors;

Representing the organization in the community and area; and

Ensuring ongoing organizational planning and evaluation.

Overseeing and supporting Gallery and Studio Manager's duties

The director is responsible for providing leadership for capital appeals of the organization, for the corporate donations and sponsorships program, for the individual appeal program, and for the supervision of fundraising events.

Gallery and Studio Manager

This management position creates and sustains the vision for the organization's educational activities; is the primary advocate for informal education; establishes and reinforces the organization's position as an essential community resource for learning; and is responsible for the direction of gallery exhibits in development, design, production, installation, maintenance, repair, and evaluation. This position ensures the coordination and delivery of outstanding public programs and school programs, and works in cooperation with other staff to ensure all visitors have a positive experience.

This position shares responsibility with the director for the planning, development, production and evaluation of all public relations, marketing and sales activities for the organization. The gallery and studio manager will ensure all communications representing the organization reflects the organization's strategy and mandate. This position is also responsible for working as part of a team in the execution of all programming, and shares responsibility with the Director for providing leadership for the volunteer program and managing the volunteer resources of the organization, including recruitment, selection, orientation and training, supervision, recognition, evaluation, record keeping and reporting.

As the first contact for many customers, the Gallery and Studio Manager is responsible for greeting, welcoming and receiving guests and will provide accurate point of sale transaction. In addition, he/she will be responsible for the promotion of Organization services, memberships,

and events to guests and take bookings when necessary.

Accounting Clerk

The role of the Accounting clerk is to perform accurate and timely financial/accounting duties internally and to the Board of Directors including overseeing the financial accounting system, preparing financial statements and schedules, providing oversight to the office equipment and computer network, and participating in the annual audit. Currently, the Gallery and Studio Manager performs accounting clerk duties.

7.4 VOLUNTEER STAFF

As well as one part-time paid staff, about 15 dedicated volunteers assist on an annual basis. These volunteers have played an integral role in the development and operation of the programming, services and fundraising throughout the history of Shepherd Gallery and Creativity Center.

It is expected that volunteers will be used for duties such as assisting staff in studio and gallery cleanup, helping customers in the gallery and providing accurate point of sale transactions, assisting customers with projects in the studio, event support and fundraising.

7.5 BUILDING OPERATIONS AND MAINTENANCE

Shepherd Gallery and Creativity Center is the owner of its location, with a potential balloon payment of \$70,000 to previous owner Keith Elwick which will be paid using a mortgage from Fidelity Bank of Guttenberg, financed with building equity, if required.

8.0 MARKETING PLAN

A marketing campaign can have a transformational effect on an organization as it establishes and reaffirms its identity. One result of sustainability planning will be a better understanding of the way the community views our organization, and thus we'll be able to address those concerns by reinventing our organization to current customers and introducing ourselves to new markets.

The purposes of a marketing campaign are to be ubiquitous (everywhere all the time), have a presence with potential customers, service existing and previous customers well, and to increase the base of repeat clientele.

Audience: Encouraging individuals to donate their hard-earned money requires tugging at the heartstrings. Delving into the hearts and minds of the audience to figure out what motivates and resonates with them will need to be at the core of the marketing campaign. The most effective way to secure monetary investment is to first acquire investment of a different type – emotional. When people feel emotionally committed to a cause, they are far more likely to invest monetarily. By not only sparking interest, but also establishing a strong personal connection, the Organization will be able to secure the emotional connection needed to make it easier to ask for investment and be successful. It will be important to make factual connections such as, “Children who experience the arts are more likely to XX.” Or, “Using creativity helps students develop XX for their every day lives, and helps them perform better in school,” etc.

Step 1 – Messaging: Reinventing or reconfiguring the Organization’s identity would be the first step in the marketing/communication plan. This would include a creative session with the board and advisory board to establish the Organization’s visual and symbolic identity. This will be the underlying theme moving forward in the campaign. This stage would also include any renaming (Shepherd Gallery and Gift Shop?) or branding for the Organization, website development and graphic design work for the Organization’s logo. The identity includes both symbolic and visual representation. All aspects of the Organization’s brand will be determined, from color to affiliations with other organizations. Essentially this session is meant to focus the Organization’s overall identity as seen by the general public.

Our mission statement should be accompanied by a tagline that tells people who we are in an instant and lets us be understood in the community. The classic tagline is three words, such as, “Learn. Create. Evolve.” One way to do this is to brainstorm a list of adjectives that describe our character and mission. The right message will help people trust us with their children for the after school program.

Step 2 – Marketing Vehicles: Going forward staff would then develop an advertising campaign including the development of a theme and its implementation. A video would likely be a key component of the campaign to be seen on the Organization’s website, local television stations, and other media as decided. The audio gained in the production of the video could also be used for any radio advertisement. The agency will then work to produce any documents that will be used to support the campaign both for print and electronic use. Typical documents include a case statement, brochure, business cards and stationery, newsletter, annual report, and press releases. The agency will also design and supply other physical items along the process which may include fundraising and volunteer supplies.

Advertisements should be looked at not just as ways to get people to walk through the door, but to establish trust, commitment, and presence in the community. Booths at the farmer's market, creation stations, etc are inexpensive ways (or even fundraisers) that help raise awareness of our presence and remind people to come to us when the need arises. Consider bartering for advertising!

Ads should also be used to educate people on the importance of supporting the arts, art in kids' lives, etc.

A list of marketing ideas should be kept for referral. Any wild idea that comes up gets put on the list, even if it's not currently applicable.

Step 3 – **Marketing Calendar:** Concurrent with the first two steps, the third is to establish a yearlong marketing calendar of events and fundraisers the organization participates in or organizes, as well as goals for artist receptions/demos, exhibitions, and the release of marketing materials for major undertakings like the annual membership drive, after school program schedules, etc. This calendar should be approved by the board along with the annual budget.

8.1 ONGOING OPERATIONS

Once the Organization has successfully completed its marketing campaign, it will have firmly

established itself within the community with a strong identity and presence. Its marketing efforts post capital campaign, while not as intensive, will be an important aspect of the Organization's strategic plan. The Organization will continue over time to evolve its brand, staying current in the community and appealing to its audiences. Staying current is crucial as the Organization will rely on grants and corporate donations to sustain its operations. Its marketing efforts will include the publication of annual reports, newsletters, radio and television advertising for its events and programming, and the recruitment of volunteers.

9.0 CAPITAL FUNDING

9.1 CAPITAL BUDGET

A capital budget was developed for the launch of the Artisan Café and Courtyard. The budget considers equipment purchases like a commercial cooler, a triple sink, and installation of the outdoor sound system. These items will be depreciated over their lifespans. See budget in Appendix C.

9.2 CAPITAL CAMPAIGN

Most facilities have leveraged sponsorship with naming rights during the capital campaign process. Organizations interviewed did not use a specific model for naming rights. Instead they approached each on a case by case basis. Different spaces are used for naming rights: the entire building, specific exhibits, galleries, theatres, and events. In general, the organizations were able to generate larger dollars from areas that have greater visibility and traffic. The respondent's naming rights agreements ranged from \$10,000 for a small exhibit to \$2 million for the building or lobby area. One organization did not allow the use of logos in their facility; others use logos where ever possible to gain sponsorship dollars.

Naming rights may be an option for funding events. Madison's Children Organization suggests that the Organization take a long-term focus when considering naming rights. The Organization must take into account any future changes that they may want to make. The naming right agreements must not inhibit the organization from making necessary changes. It is important to create some flexibility for the Organization and its sponsors when forming the agreements. Finally, it is important to keep a long-term strategy in mind to ensure that the capital campaign does not conflict with ongoing support for year-to-year operations or create donor exhaustion.

There are other major organizations currently undergoing capital campaigns in Guttenberg including the following organizations:

Swimming Pool – upcoming

CRCSD – upcoming

Because our capital campaign is mainly grant-funded and is fairly small, it will be informal.

9.3 CAPITAL GRANTS

In addition to private funding, the Organization will require capital grants.

10.0 FUNDING FOR ONGOING OPERATIONS

10.1 FUNDING SOURCES

The various sources of earned revenue have been outlined in Section 6: Visitation, Programming and Other Revenue. It is expected that approximately 70% of the Organization's revenues will be earned revenue and that the remainder will be sourced through public and private funding. This model has been compared to other similar organizations. As of the writing of this plan in 2015, the Organization has earned 70% of its income from gallery and studio sales, events, consignment, work with Umbrella Arts, and memberships. The other 30% was raised from donors and grants.

At present, the McGregor Marquette Center for the Arts receives financial support from the City of McGregor and other donors as follows:

Sales = 47%

City of McGregor = 35%

Memberships/donations = 17%

Grants and tuition = 1%

An initial donation of funds for utilities from the City of Guttenberg is a desirable step in forming a financial relationship with the city.

10.2 PUBLIC AND PRIVATE FUNDING

The Organization will need annual funding to fill the gap between operational expenses and earned revenue. The sources of this funding are expected to include individual giving, sponsorship, corporate donations, and public grants. It is difficult to estimate with certainty what level of support will be available to the Organization in these areas.

The support will depend on a number of factors including marketing efforts, staff time available for fundraising, and external factors such as the economy and the number of other projects that are looking for funding.

A list of possible public grants is included in Appendix B. There are numerous grants available that the Organization should be eligible for that are related to specific programming or projects. The Organization will ensure that they continually review these grants and where possible, tailor programming activities to take advantage of the grants.

There are currently not many grant programs specific to funding general operations. Initial reviews indicate that the Organization may be eligible for the President's Youth in Humanities Grant as well as others. The Organization will need to continue to build important relationships with various levels of government and other funders in order to maximize the operating funding available. This will be an ongoing task throughout the operation of the Organization.

Conversations with other similar organizations suggest that obtaining ongoing funding for operations is often a challenge. Some have commented that it is easier to get funding for specific programs and that funding for programs focused on children seem to be somewhat easier to obtain.

The Organization plans to focus some time and resources in recruiting corporate partners to assist with specific projects. However, similar to other organizations, the Organization will also

need public funding. The Organization has not identified the amounts that will be requested from each level of government; however, we have learned that the nearby City of McGregor allots \$10,000 each year to the MMCA. This is not an uncommon arrangement, however, the City of Guttenberg has not shown interest in supporting the Organization financially.

There are many successful funding models, all with varying amounts of federal, provincial, municipal, and other funding. The Organization will need to determine the optimal funding model that is best suited to the organization.

11.0 FINANCIAL PROJECTIONS

Three year financial projections including fully integrated statements of net assets, operations and cash flows have been prepared and are included in Appendices G-J. The projections are based on previous years of operation with a basic increase in costs by 3% each year and revenues by 10% each year.

Per the review of financial statements of similar facilities, most operate on a breakeven cash flow basis. As a result, they generally do not have large capital reserves that can be utilized to fund new projects when needed. Most facilities undertake capital campaigns to fund new projects when it is determined it is necessary or desirable. Consistent with this approach, the projections for the Organization have been prepared on a cash flow break-even basis.

11.1 EARNED REVENUES

Earned revenues have been estimated based on previous years' business with a 10% increase in revenue for each projected year. A detailed breakdown of the sources of earned revenue is summarized in the chart below.

EARNED REVENUE				
	2014-15	2015-16	2016-17	2017-18
Gallery Sales	3199	3519	3871	4258
Studio Sales	6914	7605	8366	9203
Events	17897	19687	21655	23821
Consignment	3258	3584	3942	4336
Umbrella Arts	2800	3897	4286	4715
Artisan Cafe		500	550	605
Memberships	755	2500	2750	3025
Miscellaneous	104			
Total Revenue	34926	41292	45421	49963

11.2 CONTRIBUTED REVENUE

Contributed revenue consists of individual giving, sponsorship and corporate donations and public grants. As outlined earlier, it is difficult to estimate with certainty what level of support will be available in these areas. The support will depend on a number of factors including the available staff time, marketing efforts, and external factors such as the economy and the

number of other projects that are looking for funding.

Other similar facilities rely on a combination of earned revenue, private funding and public funding. Financial information was obtained from a number of organizations. From this information, a summary of funding received by these organizations has been prepared and has been included in Section 10.1.

CONTRIBUTED REVENUE				
Other State Grants &	7993	2260	2486	2735
Donations	4082	6000	6600	7260
Corporate Sponsorships		1000	1100	1210

11.3 EXPENSES

Expenses have been estimated based on actual data available from previous years. Below is a summary of the projected expenses for the Organization, increased by 3% for each category and more in some cases. Appendix G contains expense predictions for the next several years.

12.0 NEXT STEPS

There are a number of activities that need to be undertaken in order to make the goals outlined in this plan a reality. A brief summary of the high level steps that need to be undertaken over the upcoming months and years is available in Appendix A. While the specific steps must be undertaken, the timing of each is at the discretion of the leaders at the Organization.

The plan outlined will take considerable time and effort. The leaders at the Organization are committed to undertaking the plan to achieve their vision of developing a state-of-the-art, centrally located arts organization in Guttenberg that is a vibrant and welcoming hub for children and families, a resource for schools, and a major tourist destination.