

Proposed Path to New Proposal

Annotations describe progress to date, via the Technical and Steering Committee framework reported on June 23, 2015

(<https://carrboro.legistar.com/LegislationDetail.aspx?ID=2361545&GUID=3CC0FBC9-1D7B-4950-8EFE-D8118DBA4C0C&Options=&Search=>)

1. Take everything off the table: location, financing mix, architectural plans, ownership structure, etc.
 - *The process started anew with everything off the table. All CAIC proposals, sites, discussions, and **expectations** prior to April, 2015 organizations of Steering and Technical Review Committees were cleared from the going forward discussion and work group products. Some elements of past proposal (square footage needs, programs, structure) have been referenced for background/context.*

2. The non-profit partners and public sector staff -- negotiate and propose a process that includes a generous timeline and time-bound benchmarks to see whether a better, stronger, financially palatable and feasible public-private partnership can be conjured.
 - *The groups agreed that the timeline tasks are not purely serial in nature and may have parallel tasks occurring simultaneously;*
 - *Initial collaborative “vision planning” for co- or proximate-location concept occurred in the early summer*
 - *Financial analysis of co-location will occur throughout the process;*
 - *“Generous” timeline trumps trying to “fit” the tasks within one year; in other words, groups will stay focused, but will not force the process.*
 - *Timeline and benchmarks to follow outcome of DFI study.*

3. The process must include or acknowledge the following:
 - a) Shared objectives are fundamental to public-private partnerships. Objectives of engaging in a new process and potentially developing a new proposal must be clearly outlined, completely transparent, and mutually-agreed by all parties.

Technical and Steering Committees agreed to the following charge for the Technical Committee:

- *Compile information and prepare a report that lays the foundation for implementing the steps identified in the “Proposed Path to New Proposal” endorsed by the Carrboro Board;*
- *Perform the necessary work collaboratively and transparently with clearly defined objectives mutually agreed upon by all parties;*
- *Assess development opportunities and options (land & building, market support, partner operations, public input/process, and financing) for co-location; and*

- *Evaluate and potentially present a proposal for co-location following appropriate analysis (and governing board presentation/feedback) along a generous pre-development timeline.*
4. Engaging in this process does not constitute a commitment from the Town to participate financially in any development project. *Technical and Steering Committees agreed with this statement. The parties agree to contribute staff time to the process. The ArtsCenter, and Kidzu agree to contribute to reasonable due diligence and process costs that inure to the benefit of the process and resulting proposal. Technical Committee worked with DFI on refining a scope of work and process for updating business plans.*
 5. The ArtsCenter retains Noel James as Interim Executive Director long enough to conduct a thorough business planning process, which includes:
 - Utilizing an outside consultant
 - Incorporating rigorous market, donor and stakeholder research
 - Financial plans and projections that demonstrate significant gains in diversifying private sector fundraising and membership development.
 - A plan for board development

Noel James remained affiliated with the ArtsCenter organization through early August and has supported the organization and the inbound Executive Director in assisting in generating the information necessary for a successful business planning process critical to this process and resulting proposal.

6. The business planning process should "test" whether the market, revenue models or other factors related to either organization actually support a co-location strategy. It should also rigorously test financial capabilities of each organization such that their contributions to any potential project will be maximized, not underestimated.
- *A primary objective of the process will be assess the value of a co-location strategy for all participants, and that this value assessment will be evaluated using the best practices available within DFI's evaluation to test the factors contributing to the feasibility and sustainability of a co-location model.*
 - a) A transition plan may or may not be part of the final business plan--but let the planning process inform this. *Transition plans in Board and Management Leadership will inform this process.*
 - b) To the extent that Kidzu also needs a business plan, they do the same. *Business plan update with SBTDC is underway; as noted above, transition plans in Board and Management Leadership with otherwise inform the process.*
 - c) Any new proposal includes modified, shared assumptions about economic impact, growth, goals and measures, etc. *Agreed and reflected in DFI study scope.*
 - d) Public sector partners outline non-negotiables, participation limitations, or accountability requirements that must be included in any future proposal. *Partners agree to submit and attempt to mutually accept these requirements as part of the process.*