



Mayor Lydia Lavelle and Carrboro Board of Aldermen
Carrboro Town Hall
301 W. Main Street
Carrboro, NC 27510

Dear Mayor Lavelle and Carrboro Board of Aldermen,

On behalf of The ArtsCenter and Kidzu Children's Museum, we want to acknowledge and state our deep appreciation for the valuable resources of talent and time provided by the Town of Carrboro and Orange County staff, Town Managers, Mayor and other public officials to assist us in developing a framework to analyze the feasibility of a co-location opportunity currently referred to as the Carrboro Arts and Innovation Center.


Following public hearings on the potential project in early 2015, the Board of Aldermen approved a "Pathway to a New Proposal" as a guide for The ArtsCenter and Kidzu to reconsider the project's assumptions, develop a more complete project concept, and collect and prepare additional information, primarily related to financial stability and marketability of such an endeavor, for further consideration. The Board also suggested that the next steps include exploration of possible linkages to the branch library site selection process that was already underway. Progress on the effort was reported to the Town of Carrboro Board of Aldermen and Orange County Board of County Commissioners on June 23rd and July 16th (copies attached).

The Steering and Technical Committee members have met extensively for the past three months to explore the potential synergy of co- or proximate location of The ArtsCenter and Kidzu. Separately, the two nonprofits also proceeded with business planning. Following the original request for an exploration of possible linkages to the branch library site selection process, Orange County Library staff participated in a space planning and visioning session that revealed compelling opportunities and additional benefits of expanded collaboration. A slide presentation that walks through the session's outcomes was prepared by the Technical Committee for review by the Steering Committee in July in preparation for reporting to elected officials in the early fall. Orange County staff are scheduled to report on the progress of library site evaluation in September.

The ArtsCenter and Kidzu would welcome the opportunity to provide a presentational update on our progress on the "Path to a New Proposal" and would be prepared to do so for the Town of Carrboro Aldermen meeting scheduled for Tuesday, October 13, 2015.

Once again, let us express our sincerest appreciation for your consideration of this project and for the human resources both the Town and County have provided in helping us move forward with a project we believe will be of profound benefit to our community.

Sincerely,


Don Rose
Board Chair
The ArtsCenter


Betsy Bennett
Board Chair
Kidzu Children's Museum

CAIC Technical Review Committee Update – 6/8/15, Carrboro Town Hall

TRC Members:

Noel James, Interim Executive Director, The Arts Center

Lisa Van Deman, Interim Executive Director, Kidzu

Patricia McGuire, Planning Director, Town of Carrboro

Julie Eckenrode, Assistant to the Manager, Town of Carrboro

Jeff Thompson, Asset Management Services Director, Orange County

Steering Committee members present:

ArtsCenter: Don Rose, Chair; Phil Szostak, Board Member

Kidzu: Betsy Bennett, Chair (teleconference); John Mills; Melissa Cain

Carrboro: David Andrews, Town Manager

Orange County: Bonnie Hammersley, County Manager

Intended Outcome

- Update Technical Committee progress to Steering Committee
- Responses to “Proposed Path to New Proposal” Framework
 - Workgroup Charge
 - Timeline/Process Recommendations
 - Process Facilitation Recommendation
 - UNC SOG – Development Finance Initiative
- Receive Steering Committee Feedback

Technical Committee Background

- Four meetings, lots of “homework”
- Organizational, process, and relationship focus
- Ready with a recommended plan to move forward along “Proposed Path to New Proposal” as drafted by Carrboro Alderperson Bethany Chaney

Proposed Path to New Proposal

“Take everything off the table: location, financing mix, architectural plans, ownership structure, etc.”

- TRC Recommendation: This process starts anew with everything off the table. All CAIC proposals, sites, discussions, and **expectations** prior to April, 2015 organizations of Steering and Technical Review Committees are effectively cleared from the going forward discussion and work group product.

- *Steering Committee feedback: Okay with recommendation; however past CAIC proposals will need to be considered in context with discussions going forward.*

“The process must include or acknowledge the following:

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”

- TRC Recommendation: The TRC’s draft “Charge” for the process addresses these objectives as well as the roles of both the Steering and Technical Review Committees.
- *Steering Committee feedback: Okay with Charge as described.*
 - Technical Committee Charge:
 - 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.

“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.”

- TRC Recommendation: The proposed timeline follows:

Task	Date	Deliverable to Steering Committee
Workgroup Organization	May-June, 2015	
Collaboration Space Planning	Jun-August, 2015	Co-location space plan, shared space location, share time
Market demand analysis, Partner business plan analysis; Land-use planning & physical site assessments; Public input on collaboration concepts	July-Sept., 2015	Projected unmet needs in marketplace 3-5 years out; feasibility of partner business plans and sites/needs for public private partnership; physical assessment; summary of public input on collaboration concepts
Co-location program uses/scale of uses; site recommendation	Oct, 2015-Jan. 2016	Endorsement of co-location program
Concept plan financing options, public-private partnership structure options	Feb-April, 2016	Endorsement of financing and partnership structures
RFP for project issued	May-June, 2016	Draft development agreement for evaluation and start of project.

- *Steering Committee Feedback to Suggested Timeline:*
 - *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 a co-location concept will occur during the summer between the four partners (ArtsCenter, Kidzu, Carrboro, Orange County) during the 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.*

“Engaging in this process does not constitute a commitment from the Town to participate financially in any development project.”

- *TRC Recommendation: Engagement in the process by any participant (Town of Carrboro, Orange County, The ArtsCenter, Kidzu) does not constitute a commitment to participate financially in any development project. The parties agree to contribute staff time to the process.*
- *Orange County, 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.*
- *Steering Committee Feedback to Financial Commitment:*
 - *All partners agree to the Financial Commitment statement within the original “Proposed Path to New Proposal”;*
 - *Governing board decisions to contribute due diligence funds for the process (market studies, business planning, economic impact, physical analysis, etc.) will be tabled/postponed until after the staff “visioning” process occurs as well as no earlier than September, 2015;*
 - *A potential recommendation for jointly contributing due diligence funds along an agreed upon formula may occur no earlier than the governing board agenda review cycle after the summer break.*

TRC recommends working with the **UNC School of Government’s Development Finance Initiative (“DFI”)**

- a full service technical analysis resource for complex projects that may benefit from a public-private partnership;
- services include market analysis, partner operations and business planning consultation, physical site assessment, and financing/partnership structuring.
- Costs are estimated at up to \$50-75K for entire process with an additional 2-4% of the project

- Costs are estimated at up to \$50-75K for entire process (under market value of a la carte services)
- DFI assumes this risk by participating in the project development fee should the project warrant a public-private partnership. This amounts to with an additional 2-4% in fees (based upon the total project cost) should the project be developed.
- Most costs can be shared pro-rata among Orange County, ArtsCenter and Kidzu;
- Operations business planning consultation can be shared among ArtsCenter and Kidzu;
- Most physical site assessments (geotech, environmental, etc.) can be absorbed by the County on sites that may support the library should the collaboration not materialize.

Steering Committee Feedback to DFI recommendation:

- *Staff will work through the visioning process during the summer to prepare:*
 - *a table of needed due diligence materials necessary for the co-location work;*
 - *options for sourcing the due diligence information; and*
 - *a detailed proposal from the UNC School of Government’s Development Finance Initiative, its value proposition, cost structure, and areas of due diligence that will be addressed in the proposal.*

“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 a 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”*
- TRC Recommendation: Noel James remains affiliated with the ArtsCenter organization to support 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.
- *Steering Committee feedback: The ArtsCenter Board Chair, Don Rose, assured that Noel James will remain involved in the work.*

“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.”

- TRC Recommendation: That 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.
- *Steering Committee feedback: The proposed due diligence scope of work will include generally accepted methods to test the factors contributing to the feasibility and sustainability of a co-location model.*

“A transition plan [for ArtsCenter leadership] may or may not be part of the final business plan – but let the planning process inform this.”

- TRC Recommendation: Transition plans in Board and Management Leadership will inform this process.
- *Steering Committee feedback: Accepted without comment*

“To the extent that Kidzu also needs a business plan, they do the same.”

- TRC Recommendation: As stated above, transition plans in Board and Management Leadership will inform this process.
- *Steering Committee feedback: Accepted without comment.*

“Any new proposal includes modified, shared assumptions about economic impact, growth, goals and measures, etc.”

- TRC Recommendation: All planning assumptions (economic impact, growth, costs, meaningful measurement, etc.) will be shared, validated, and agreed upon between all parties throughout the process.
- *Steering Committee feedback: Agreed as part of the shared due diligence scope.*

“Public sector partners outline non-negotiables, participation limitations, or accountability requirements that must be included in any future proposal.”

- TRC Recommendation: All participation parameters and requirements will be addressed in the process.
- *Steering Committee feedback: Partners agree to submit and attempt to mutually accept these requirements as part of the process.*

Sites Contemplated in Study

- 203 S. Greensboro*


- Current ArtsCenter Location – 300 Main
- Fire & Hearth*
- “Armadillo Parking” Location**

**Studied by County as a standalone library site as well*

***Added by the Steering Committee on 6/8/15*

Major strategic themes of process

- Fundamental questions, incentives for each group
 - Potential revenue and cost multipliers for co-location
 - Potential dilution of risk by co-location
 - “What’s the value for each participant in a co-location?”
- Standalone timelines of each partner
- Impact of Carolina Arts and Innovation Center announcement
- Requirement of public and/or private funds, relative risks for collaborative project
- Probability and magnitude of economic impact of collaborative project
- Utility and value (if any) of public private partnership structure



**WORKING TOWARDS THE PATH
TO A NEW PROPOSAL**

JULY 20, 2015



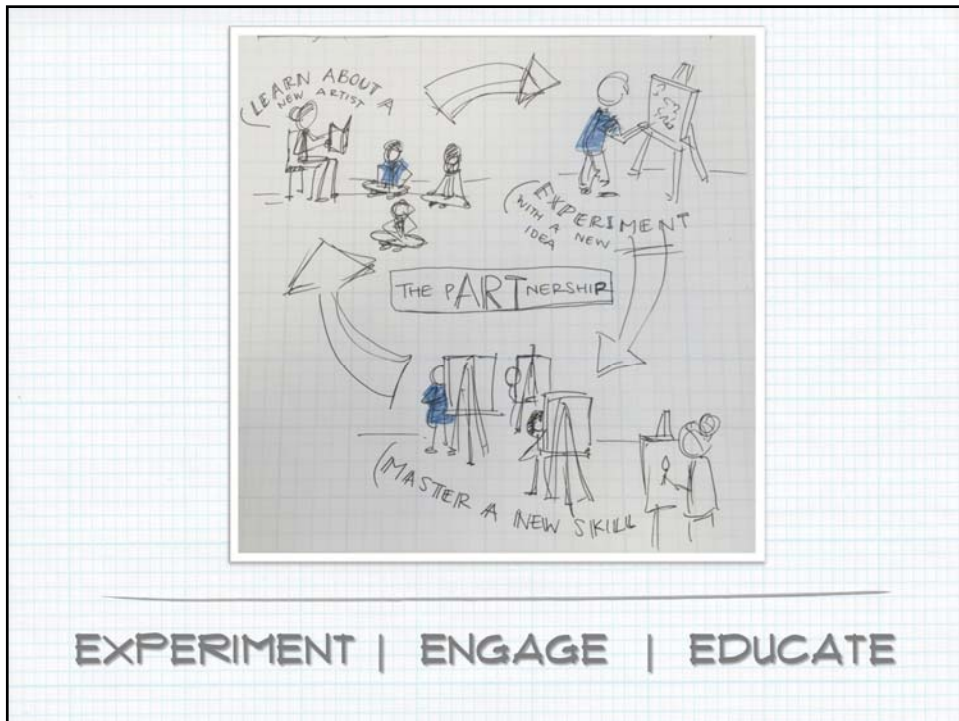
THE PARTNERSHIP



Handwritten notes on whiteboards include:

- Some classroom information to the public
- Grade learning environments in culture, arts, STEM
- Education - inspire creativity & provide social skills
- Information live/Educate, inspire, stimulate community
- Engage children & their adults in their lives to create their creative play!
- Educate & inspire through play!
- Discriminate into get access to info for all levels / ages / abilities
- Info within family, regional, national, global
- creativity
- gross motor skills
- informative storage & retrieval
- Vehicle
- day in studio

2015-2016	2016-2017	2017-2018	2018-2019
20000000	20000000	20000000	20000000
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“The future of education calls for entirely new kinds of learning environments. As every dimension of our world evolves so rapidly, the education challenges of tomorrow will require solutions that go far beyond today’s answers... Over the next decade, the most vibrant innovations in education will take place outside traditional institutions.”

KIERAN EGAN
*THE FUTURE OF EDUCATION: REMAGINING OUR
SCHOOLS FROM THE GROUND UP. 2010*

INNOVATION

21ST CENTURY MUSEUMS AND LIBRARIES

- Combination of audience- and content-driven
- Combination of tangible and digital objects
- Multi-direction (co-created experiences involving institution, audiences, and others)
- Focus on audience engagement and experiences
- Emphasis on enhancing knowledge and 21st century skills
- Acts in highly collaborative partnerships
- Embedded in community (aligned with and acts as a leader on community needs/issues)
- Learning outcomes purposeful (content knowledge and 21st century skills like critical thinking are visible, intentional outcomes of audience experiences)

Source: IMLS "Museums, Libraries and 21st Century Skills" (2009)

“There has never been a greater need for libraries and museums to work with other organizations in effectively serving our communities and there has never been a more rapid period of change affecting museums and their communities.”

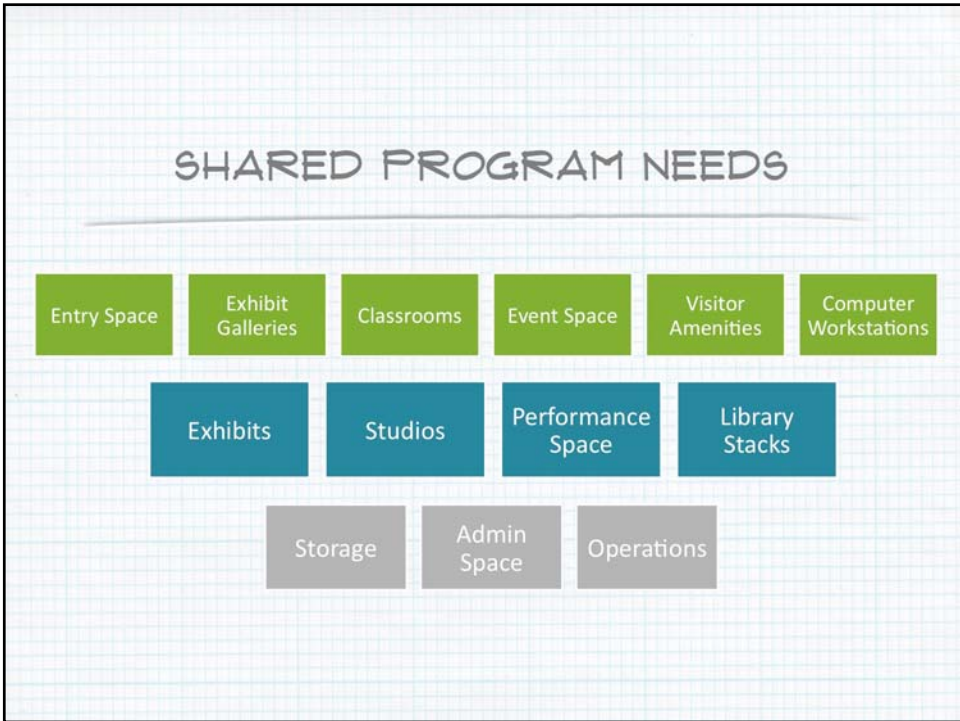
THE INSTITUTE OF MUSEUM AND LIBRARY SERVICES

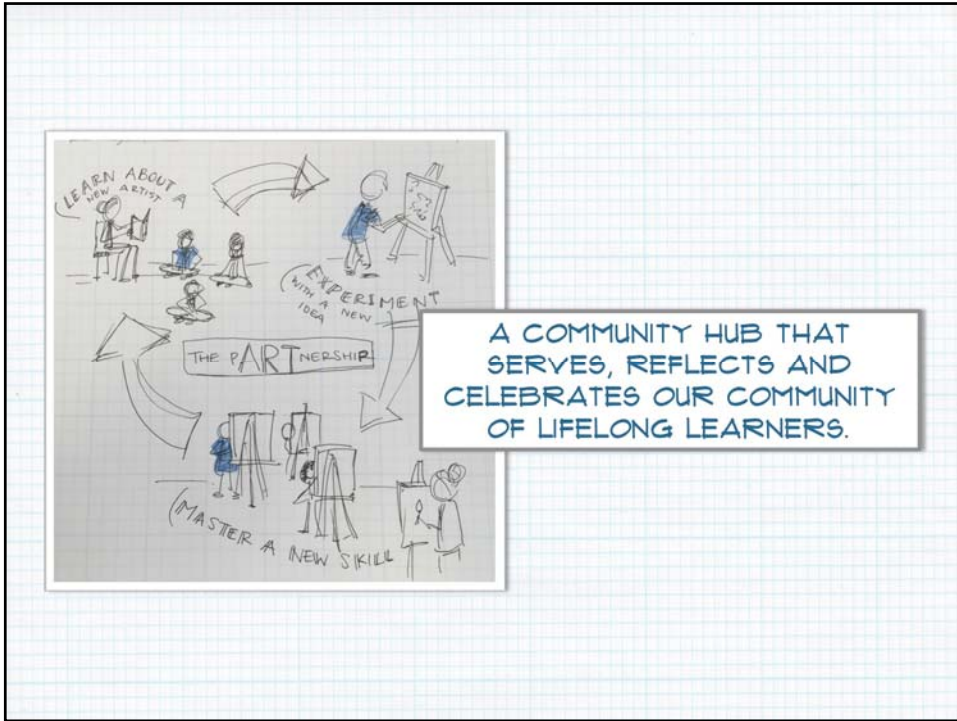
COMMUNITY COLLABORATION

THREE PARTNERS, ONE TARGET AUDIENCE : a 25-mile radius of lifelong learners

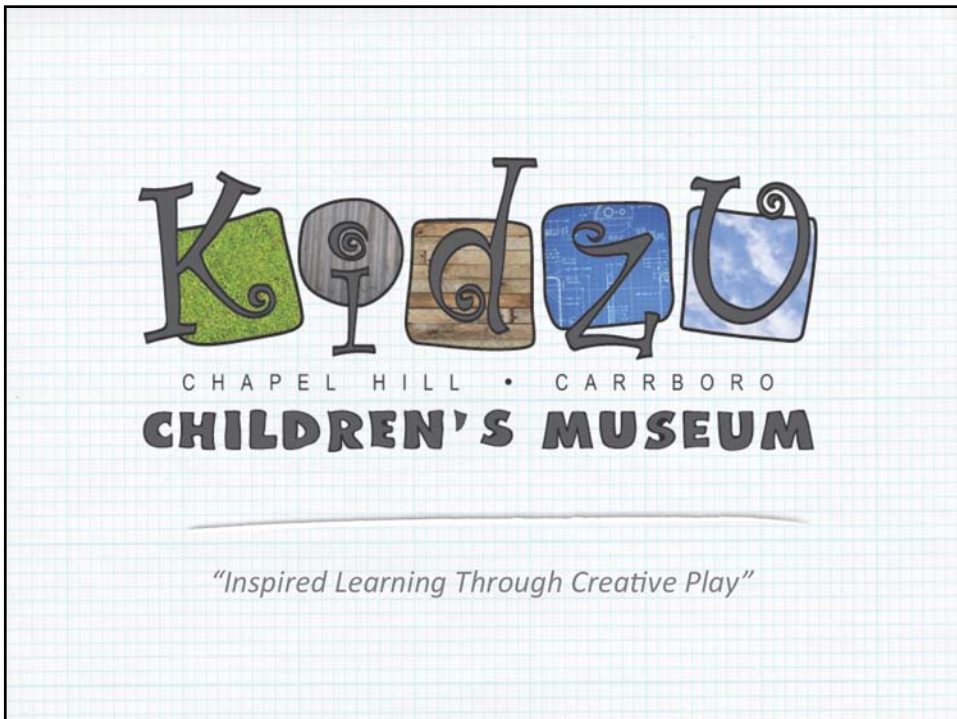
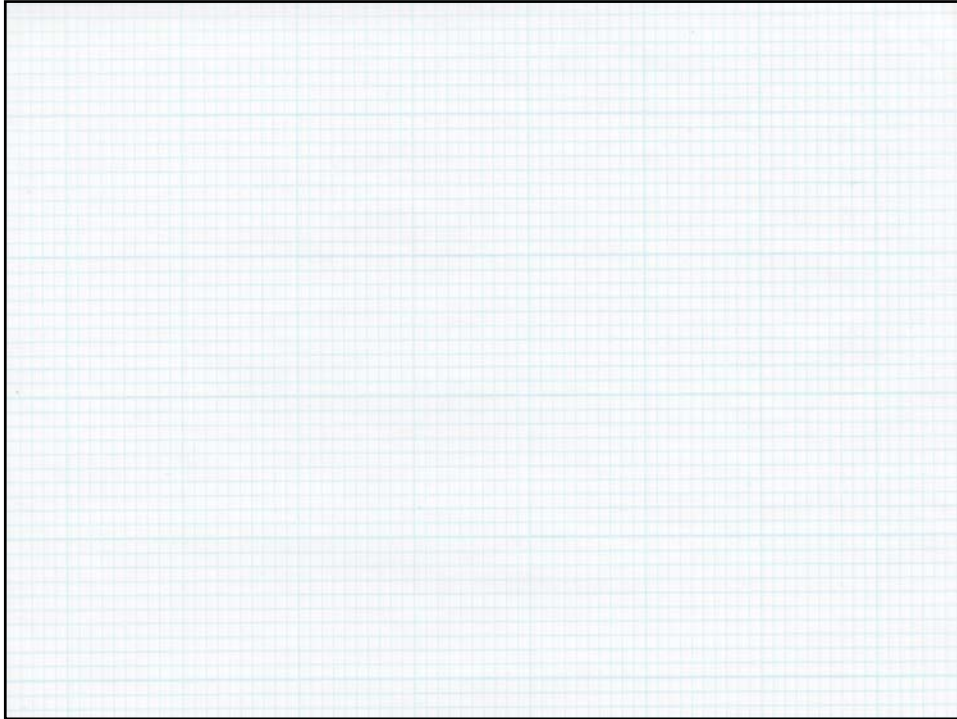


- NC's population is growing at nearly twice the national average
- 5th fastest growing population in the US
- NC: 18.5% population growth from 2000-2010
- Chapel Hill and Carrboro experienced similar rates of growth (18% and 17%)





accessible The ArtsCenter
learning public engagement
inspire Kidzu Children's Museum
gross motor feeder systems
information storage encourage
networking showcase
lifelong learning information
flexible teach
system minds creative stem
all ages ste(a)m educate family skills
motor service creativity
community arts stages
disseminate knowledge create learn
children programmatic exhibits
collaborative enrich
focused drop-in classes
performance collaboration
Orange County Library open-minded



KIDZU'S MISSION is to inspire children and the adults in their lives to learn through creative play.

Kidzu's vision is to become an innovator in interactive, museum-based learning for children and families and one of the best community children's museums in the country—that is, to excel at serving, celebrating and reflecting *our* community and to offer a model for other museums that share our commitment to creative, playful, evidence-based learning and deep community partnerships.



MISSION + VISION



- Approximately 240,000 children aged 0-10 years currently live in the 5-county area of Orange, Durham, Chatham, Alamance and Wake counties.
- Of these, more than half (135,000) reside within 25 miles of Downtown Carrboro.
- In the next 10 years, the number of 0-10 year olds living in our 5-county region is projected to increase by 60% to more than 383,000.

- The Disappearance of Play
- 21st Century Skills for Adult Success
- Support for the Fundamental Cognitive Skills and Nurturing of the "whole child"
- Shrinking the achievement and opportunity gaps for disadvantaged children and families
- Providing excellence in Early Learning
- Addressing "nature deficit disorder" through connecting children with nature and the outdoors
- Support to Caregivers and Educators providing rich opportunities for shared learning and engagement

ADDRESSING THE NEEDS



FRANKLIN STREET



Kidzu's first two locations served more than 220,000 visitors from 2006 to 2013

UNIVERSITY PLACE

- Projected attendance: 100,000 visitors annually
- 2015 Memberships: 1000 + households



BUILDING ON SUCCESS



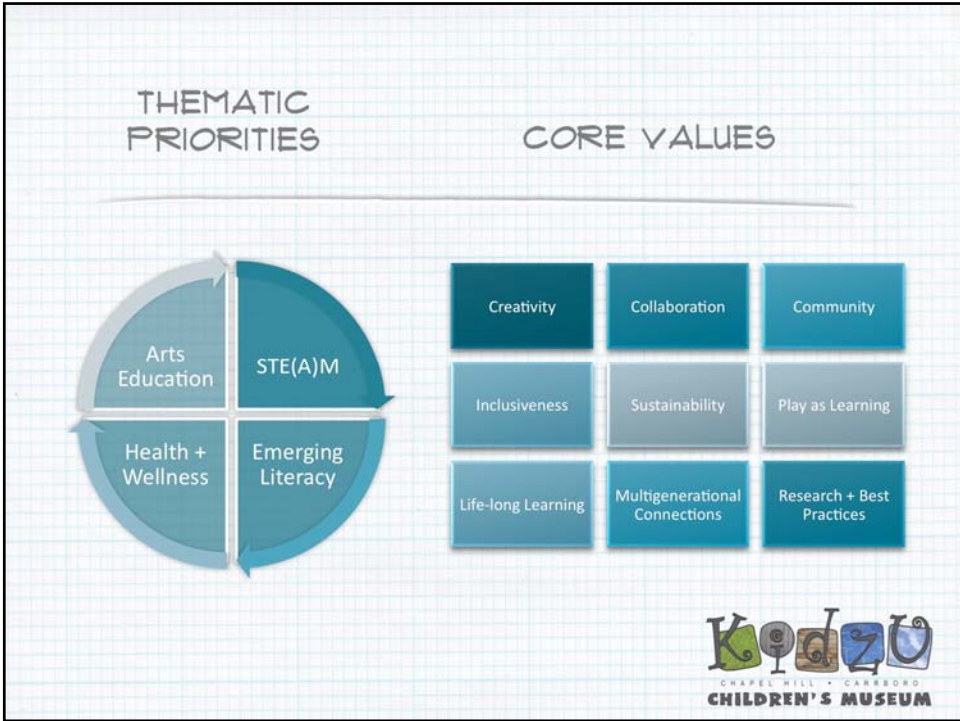
"CHILDREN'S MUSEUMS ARE BUILT FROM THE INSIDE OUT, WHERE AS MOST BUILDINGS ARE BUILT FROM THE OUTSIDE IN."

-- Roselia Harvey
North Star Advisors

INTERACTIVE + INTERDISCIPLINARY EXHIBITS	PUBLIC PROGRAMS + OUTREACH	WORKSHOPS + PAID PROGRAMS	ARTIST DEMONSTRATIONS + PERFORMANCES	FIELDTRIPS + CAMPS
BIRTHDAY PARTIES + SPECIAL EVENTS	COMMUNITY COURTYARD	EVALUATION + RESEARCH	AFTERSCHOOL	CAREGIVER RESOURCES + EDUCATION

EXPERIENTIAL LEARNING





The ArtsCenter
www.artscenterlive.org

"Always Inspiring"

MISSION:

To Educate and Inspire Artistic Creativity and to Enrich the Lives of People of All Ages




VISION:

To create an educational environment that provides opportunities, inspiration and tools to people of all ages and skill levels to participate in the arts.



Integration with NC Core Curriculum Standards	Empowerment Through Expression	Inspiring
Process-oriented	Life-long Learning	Accessibility
Affordability	Cultural Appreciation	Arts as Community Builder

CORE EDUCATION VALUES





THEATRE

- Festivals 10X10 (ten, ten minute plays), REDBIRD 1 act plays by NC playwrights
- Original Productions and Co-productions (11,000 attendees)

CONCERTS

- Emerging and national touring artists (87 concerts)
- *The Honeycutters, Dar Williams, Missy Raines, etc.*

PERFORMANCE



o In its 40 year history, the ArtsCenter has grown to a multi-discipline community arts school and performing arts center that offers several hundred classes/camps/workshops each year.

o In 2014, 91 professional teaching artists offered 483 classes to 2460 adult students at all levels of artistic development and many camps, workshops, and live performances for children.

ARTSCHOOL	SUMMER ARTSCAMP	SCHOOL SHOW SERIES	ARTIST RESIDENCIES	AFTERSCHOOL ARTS IMMERSION	SUPERFUN SHOWS	GALLERY EXHIBITS
483 Classes 91 Teaching Artists	K-12 1399 students (11 weeks)	98 shows serving 25,000	1400 students serving 3 Title 1 Schools & 1 High School	95 children	9 weekend family friendly performances 1665 individuals	every month, professional, student, community shows

EDUCATIONAL PROGRAMS





MISSION:

The Orange County Public Library aims to be the heart of the community by

- being a welcoming gathering place for all
- having a clear focus on the future and responding with creativity and innovation
- offering relevant services, programs, collections and technologies
- serving the entire community through collaborative efforts with organizations, educational institutions, and town and County governments
- providing free and equal access to the resources and materials community members need to be informed and engaged

VISION:

We empower people by providing a place and a face to explore, enjoy, and engage.



OCL serves all county residents and residents of neighboring counties

The Main Library is located in Historic Hillsborough

Held over 380 programs with 7600 attendees in the past year

Currently has two branches in Carrboro (Cybrary in the Century Center and Carrboro McDougle co-located within the school media room).

Typical demographic spans all ages from birth to 90+ with a large young family audience

In 2014-15, the Main Library in Hillsborough saw over 225,000 visitors, with over 410,000 items (books, e-books, kindles, CDs, DVDs) circulated



ABOUT ORANGE COUNTY LIBRARY



TO REALIZE OUR VISION AND FULFILL OUR MISSION, THE FOLLOWING VALUES ARE THE BELIEFS THAT UNITE AND INSPIRE US IN OUR DAILY SERVICE TO ORANGE COUNTY.

Commitment to Public Service Providing a well-trained, enthusiastic staff that delivers superior customer service and responds to patron needs	Inclusiveness Serving the entire community through diverse resources and programs	Fostering Fun and Lifelong Learning Offering engaging, excellent programs and services, and promoting literacy and educational opportunities	Collaboration Accomplishing more together with partners working toward common goals	Respect Practicing kindness, promoting open dialogues and creating an environment of encouragement
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INSTITUTIONAL VALUES

