

Fee hike at Waldron Arts Center shocks arts groups - Herald-Times (Bloomington, IN) - November 26, 2009

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Hannah Moss likened receiving the Waldron's new rental rates to being told the price of her favorite \$5 meatball sub had jumped to \$18, and that the sandwich contained one fewer meatball.

The increase in rental fees was "shocking," said Moss, who, along with David Nosko, founded and directs Bloomington's Theatre of the People. The **John Waldron Arts Center** at 122 S. Walnut St. has been Theatre of the People's main performance venue since the volunteer-run group's May 2008 launch.

But Nosko and Moss have not signed a contract for the coming season. "There's no way we can pay them," Moss said of the new space and equipment rental costs.

Theatre of the People is one of 21 local performing arts groups and individuals to sign a letter addressed to Rob Hanrahan, executive director of the Bloomington Area Arts Council, and Ashley Fisher, president of the arts council's board, protesting the new rates and the overall direction of the Waldron. Among them is Cardinal Stage Company, a professional theater group.

"Cardinal Stage Company will be unable to afford the Waldron Arts Center next year," Randy White, artistic director of Cardinal, said Wednesday. This season, the group's costs were \$3,900 per production, and under the new rate structure it would be \$12,500 per production, White said.

"Our ticket price would have to increase by an unsustainable amount."

That is why Cardinal signed on to the letter, White said.

The letter was delivered Tuesday by main spokeswoman Joni McGary, a Cardinal board member, who copied the letter to all BAAC board members, Mayor Mark Kruzan and city council members.

The 21 signatories have named themselves the Bloomington Performing Arts Coalition, and their focus is narrow, McGary said.

"We ask that fair rental rates and service levels for the performance spaces be restored to those that existed prior to the current management's tenure," the letter states.

City government in 1990 deeded the Waldron, the former City Hall, to the arts council for use as a community arts center. And some local artists, particularly those signing the letter, wonder if the Waldron remains true to that mission.

Costs on the rise

According to the Waldron's published rates, a six-hour chunk of time on a Friday or Saturday night for an arts event in the auditorium under the old system cost the renter \$330. With the new rates, a seven-hour time block for the same space the same nights will run \$505, a 53 percent increase. That's before additional costs, such as the removal or set-up of risers, are factored in.

McGary provided examples of how the rates have changed: Reefer Madness' 2008-09 engagement at the Waldron cost the group \$740. The same event will cost \$2,115 in 2009-10, under the new rate structure, according to the BPAC's calculations. That's a 186 percent increase. The Jewish Theater of Bloomington's costs jumped 110 percent, according to the coalition's math.

The same week Theatre of the People sat down to talk about a contract, so did representatives of the Lotus World Music and Arts Festival and independent artist Tamara Loewenthal. They likewise concluded they could not afford to rent performance space at the Waldron.

The 2009-10 rates are unreasonable and not affordable, McGary said, and some performing arts groups will be priced out of using the Waldron's Auditorium, Rose Firebay Theater and Rosemary P. Miller Gallery.

Representatives of the BAAC said the intent of the rate increases isn't to lock out anyone.

"Nobody's trying to hurt any organization. We're trying to make sure it (the Waldron) stays here for everybody," said Hanrahan, who was named the BAAC's interim director last March and executive director in August.

In an interview in a Waldron meeting room Tuesday, Hanrahan, Fisher and arts council board member Jim Whitlach said the rate increases represent current market values for performance space, were a long time coming and are necessary because the arts council has lost money.

Setting the rates

"We did an evaluation of the current market and what it costs to run the space itself," Hanrahan said. Taking into consideration the square footage of each space and utility and maintenance costs, the arts council arrived at costs more in line with current rates, he said.

"I'm not sure how often that was done in the organization," Hanrahan said of the market evaluation. "I'm not even sure it was done when the building was first acquired."

The rental fees had not changed in five years, Fisher said, noting it may have been longer than that. "And it was time for a general increase, which was, I think, very modest," she said.

The arts council contends the new rate schedule encourages membership by giving a percentage discount to those who pay an annual membership fee, and that breaking costs into categories — set-up/rehearsal time vs. event/performance time — results in a price break.

And the new price structure lays out technical help and equipment rental fees in black and white.

Last year, Theatre of the People's Moss said, a tech person was on call for directors putting on a

show at the Waldron. This techie's fee must have been lumped in with the space rental, because Moss and Nosko never paid extra for his help. If they needed an extension cord, one was rounded up. If they needed help with the light board, they got it.

Now, sound or lighting operators cost \$80 for the first four hours of work. A stage hand costs \$60 for a four-hour shift.

Hanrahan said if you look at past productions at the Waldron, a contractual arrangement stipulating that these extra costs must be paid was likely in place. "But it wasn't ever adhered to. So there was a lot of just allowing things to happen."

Solidifying what costs what, who gets what discount, what's free and what isn't, appears to be a step toward a more businesslike model for the arts council.

"We are definitely putting more structure in, because the buddy-buddy has gotten us into the position that we're in," Hanrahan said.

And that position is one of financial loss.

Why now?

"We're losing money," board member Whitlach said. "They were losing money and they continue to lose money, and at some point that has to stop." He calls the rate increase a realistic move.

Performing arts groups and others who rented Waldron space got a great deal in the past, he said. "But we can't sustain that."

Hanrahan added:

"We were able to buddy-buddy it for many, many years and we've robbed Peter to pay Paul for many years. Well, guess what? The economy's shifted." The old model won't work any more, he said.

Certainly, a price hike would have been less painful if rates had been raised a little each year, said Fisher, who's been on the board for a year.

"But that's in the past. We're here today," she said. "We can start guessing on what had occurred in the past, and we don't wish to do that. We wish to say, 'here it is, now how can we make this organization sustain itself?'"

BAAC officials say the performing arts are not bearing the full burden of the arts council's financial straits. Full-time staff at the BAAC have been cut from five to two — Hanrahan and operations director Roger Meridith. They are assisted by volunteers, and a major goal of the BAAC is to beef up its volunteer force.

The board is intent on cutting costs and increasing revenue through memberships.

"If we were sitting here and we were in the black \$100,000, then I could see the argument," Whitlach said of the coalition's call for lower rates.

It costs on average \$620,000 a year to run the Waldron, according to the BAAC. The BAAC has an annual operating budget between \$500,000 and \$600,000, according to their own figures. The group does not pay property taxes on the Waldron, as they are a non-profit organization. The BAAC also doesn't pay a mortgage or rent for the Waldron, since the city "gave" the 1915 building to the arts council, provided the group raised money to pay for renovations, which it did.

How the rates were set

Some local performers are concerned not only about the dollar amounts they face, but about how the board set those rates. Nosko, with Theatre of the People, said it came as a surprise because there was no communication between the performing arts group and the BAAC board. "It's like we were being broken up with," he said. The theater group and the Waldron had been in a relationship, Nosko and Moss said, and they want the love back.

"We want to be there," Moss said. She wishes signing the coalition's letter was not necessary. But for the first time when dealing in facility's rental at the Waldron, there was no negotiating. "Here's the number, take it or leave it," was the prevailing sentiment, she said.

Hanrahan invited Theatre of the People to speak at the arts council's December board meeting, and Nosko and Moss plan to attend.

Asked if conferring with local arts groups about rates is something the board should do, Fisher said the BAAC did their homework thoroughly.

"Our organization did a tremendous amount of research in looking at models, had conversations with a lot of theater organizations who are in buildings. Because that's where it counts," she said. "How do they handle this type of thing? And we looked at several models, at least three. And then just a lot of Internet research to check on what other people do."

The coalition's letter also calls for a return to "stakeholder relations." McGary, who besides being secretary of the Cardinal board is a member of performing group the Grateful Divas, said the current board has not reached out to the public as past members did. The environment has changed, she said, and she fears along with it, the mission.

The mission

The artists interviewed for this story worry the arts council is losing its grasp on the original mission of the Waldron because the new rates are pricing out the very groups they feel should be able to use the building. For instance, White, from Cardinal, called for fair rental prices and a "recommitment to the city's mandate."

The city conveyed the Waldron to the arts council for use as a community arts center. According to a promissory note dated Aug. 3, 1990, the arts council must continuously use at least 72 percent of the property as an arts center or face a \$270,000 fee.

That promissory note expires May 1, 2020, meaning the arts council is then not bound by the 72 percent property use stipulation.

Hanrahan said he's unaware of any intention not to follow that stipulation in the future.

But some people don't believe that idea is followed today. Anger about weddings and private parties held at the Waldron has been expressed quietly and not-so-quietly.

"I would love to dispel the whole wedding thing," Hanrahan said. "We had five or seven weddings here last year, which were in times that nobody else was booked."

He said arts organizations routinely host weddings, because they bring in income. And weddings still fit in with the overall mission, he said, noting one bride wanted her ceremony in a Waldron art gallery because she herself is an artist.

"Now in my world, it was definitely mission-driven, because many of those attendees of the wedding would never have come in here had the wedding not been taking place," Hanrahan said. "So we exposed a whole group of people to the arts that may have never gotten to see them."

The arts council's mission is to be accessible to the entire community, he added.

"So I don't think our role is to say you can't rent here just because you're not an arts organization."

Whitlach points out that the performing arts is one aspect of an arts community.

"It's incredible the amount of things that are done here on a daily basis that are related to the arts. It's not all performing arts. But this isn't a performing art-only venue. That's just a part of what they do," he said.

More than 130 classes were held at the Waldron last fiscal year, as were 41 days of free, after-school art classes, among other educational events, free offerings and art showcases.

"I think it's undeniable that we're carrying on our mission," Fisher said. "I mean, there's so many examples, and when people say 'I'm worried about it,' I mean, what are they talking about?"

The future

Nosko wants to do more talking. The Waldron, currently too expensive for his theater group to use, made his small company possible.

"We are living examples of the Waldron as a pipeline to the arts," he said. "We do have the choice of just walking away." But there is no place like the Waldron, he said.

"We believe it's a community arts space, and we would very much like to have a discussion about what that means."

Fisher said collectively finding a solution is something the board would embrace.

“But everybody’s got to have a part of making this, and investing in the building and making it work. And it all comes down to fundraising. What are we each taking responsibility for in getting the funding that will make this work? And we certainly have got a lot of work to do,” she said. “And we’ve put plans in place.”

Typically, 60 percent of the BAAC’s revenue comes from venue rental, art class fees and gallery/gift shops sales. The balance comes from donations and grants. But more emphasis will be placed on raising money in the coming years, Fisher said.

“It hasn’t been part of the board’s psyche to be fundraisers, until now,” she said. “We’re trying to really build an organization that is professional — a professional, private not-for-profit. And our goal is to be able to do more for the arts and if it appears to a small group that we aren’t, we certainly are because in the long term, they’re going to benefit from the actions that we’re taking today.”

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