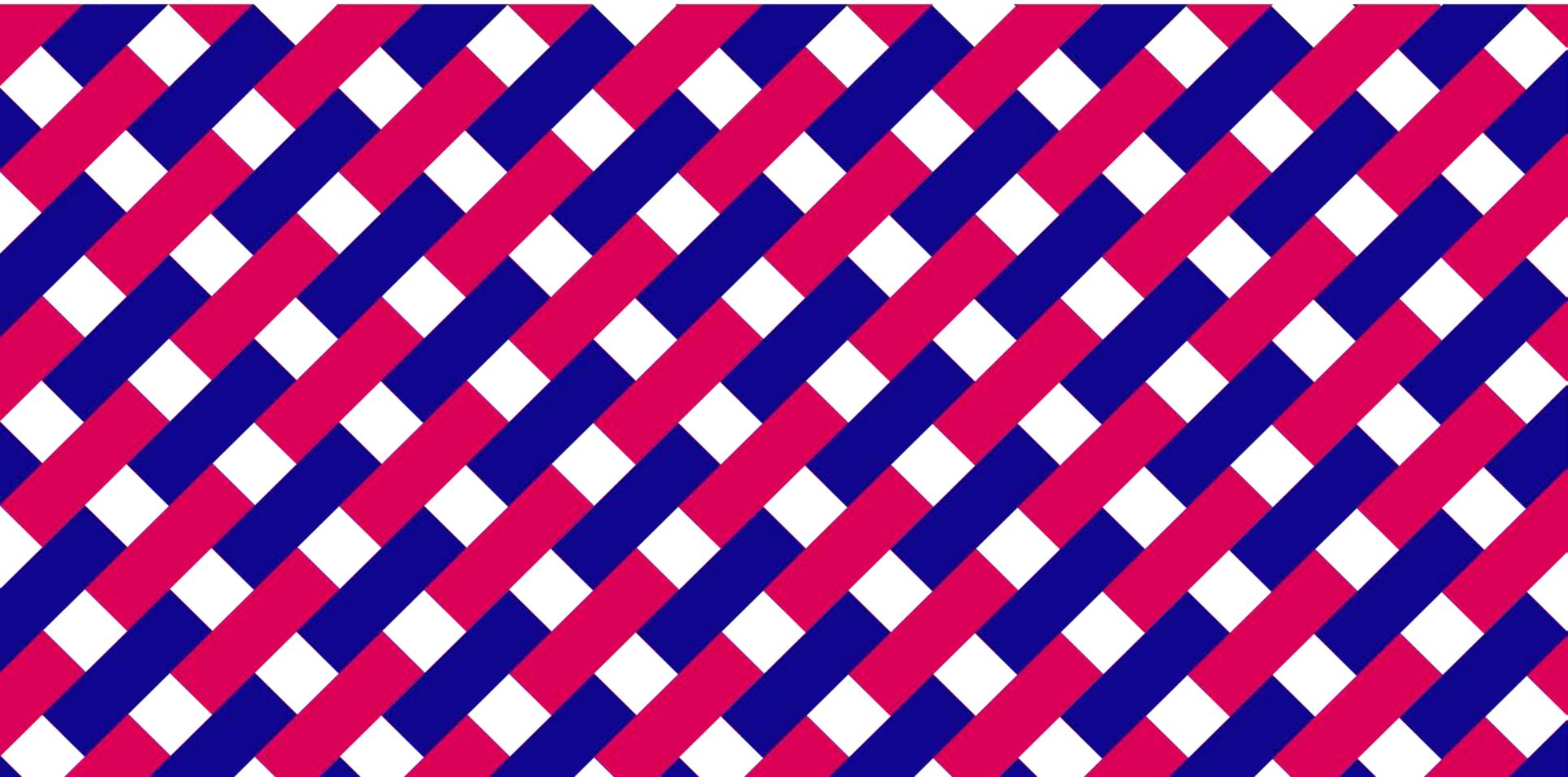


January 31, 2011

Colonial Theatre Feasibility Study Laconia, New Hampshire



Our Firm

Background

- * Management consulting practice for cultural organizations and facilities
- * Small and focused company of 4 based in NYC
- * Artists & arts administrators from the performing arts

Services

- * Market Studies
- * Business Plans
- * Strategic Plans
- * Feasibility Studies

Relevant Experience

- * In our 13th year, starting our 263rd project
- * Recent work on historic theaters in Keene and Greenfield, MA



agenda

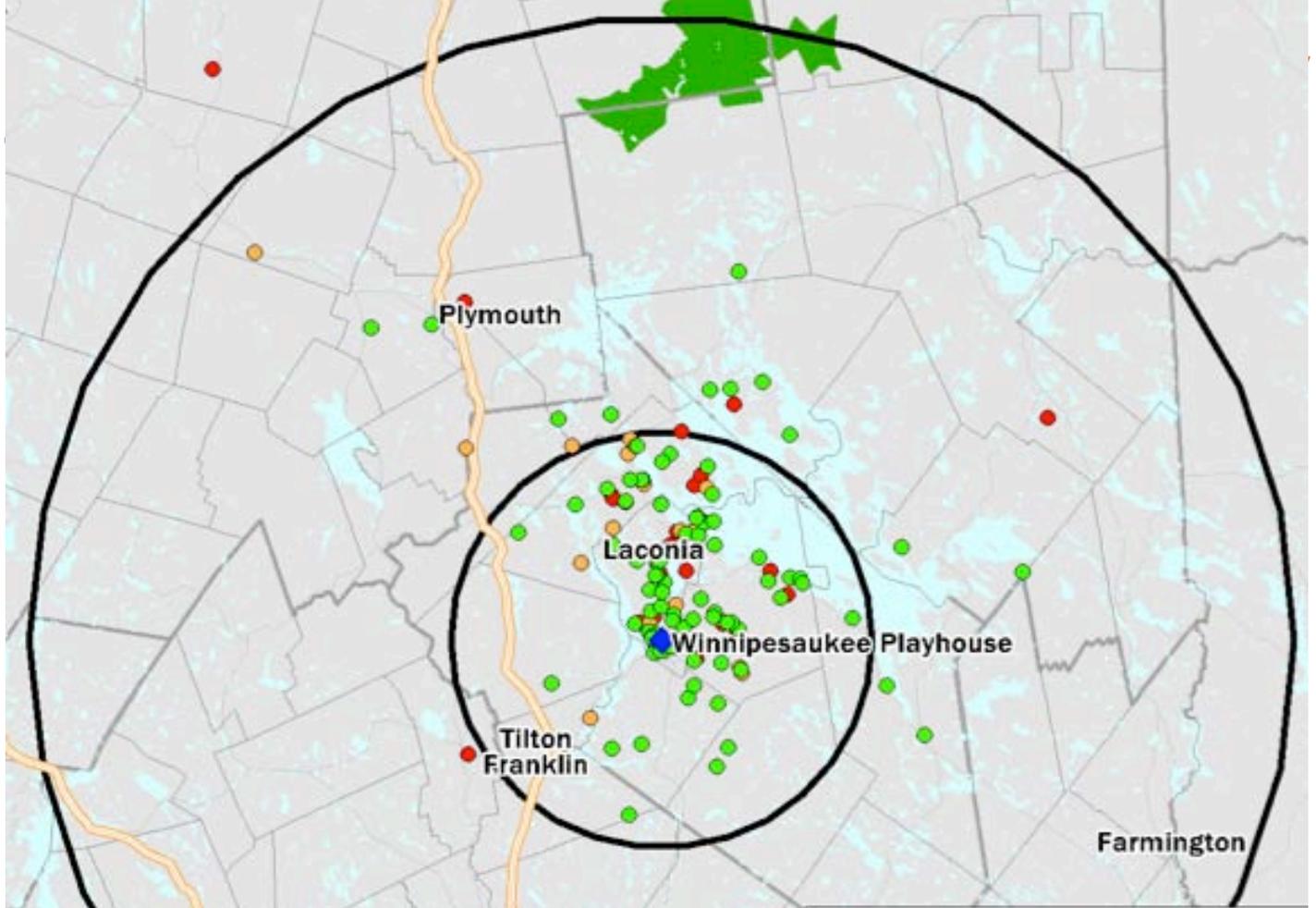
- * Study Context
- * Market
- * Uses and Users
- * Existing Facilities
- * Community Benefits and Impacts
- * Conclusions
- * Recommendations



study context

- * The Colonial Theatre
- * Bloom's Variety Store
- * The State of the Arts in the Lakes Region
 - * Limited traditional performing arts activity locally
 - * Active presenters, more seasonal in nature
- * National Facility Trends
 - * Recycling facilities
 - * Multi-form and multi-purpose
- * Our study process



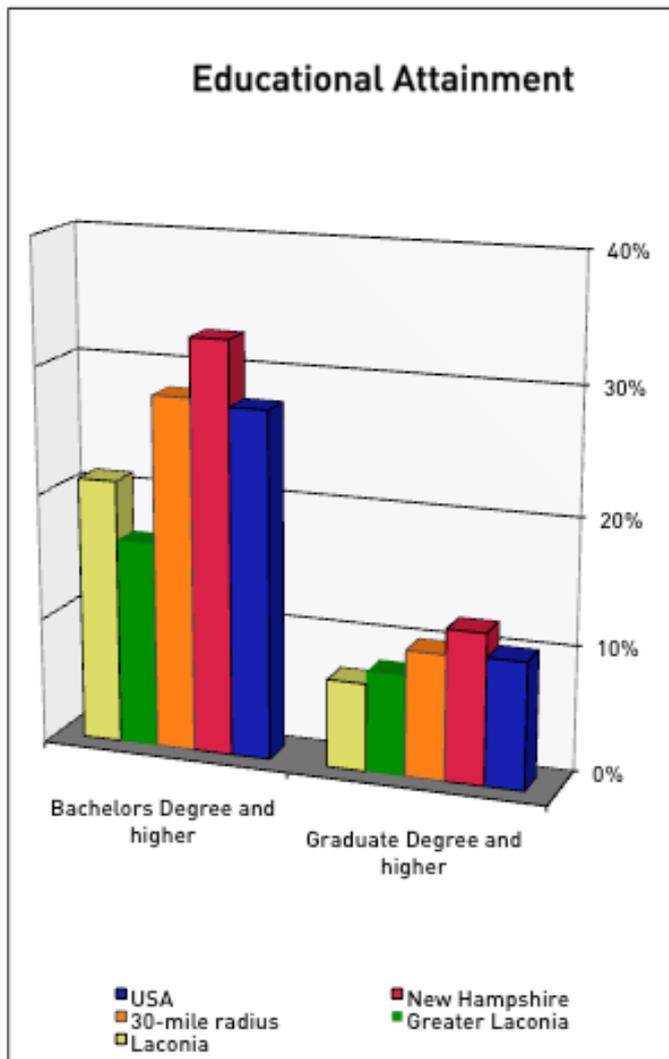


Subscribers, 2008 to 2010

- Winnepesaukee Playhouse
- ◆ Winnepesaukee Playhouse
 - 2010 Subscribers
 - 2009 Subscribers
 - 2008 Subscribers
- 10, 30-mile Radii



the market



Small Communities and Slow Growth

- * Laconia's current population is 17,000
- * Projected to grow .83% between 2010 and 2015.
- * Greater Laconia is a 10-mile radius that includes Laconia, Gilford, Meredith, Belmont and Sanbornton, with 2010 population estimate of 53,340
- * 30-mile radius 2010 population estimate: 310,885

Disparate Levels of Education and Income

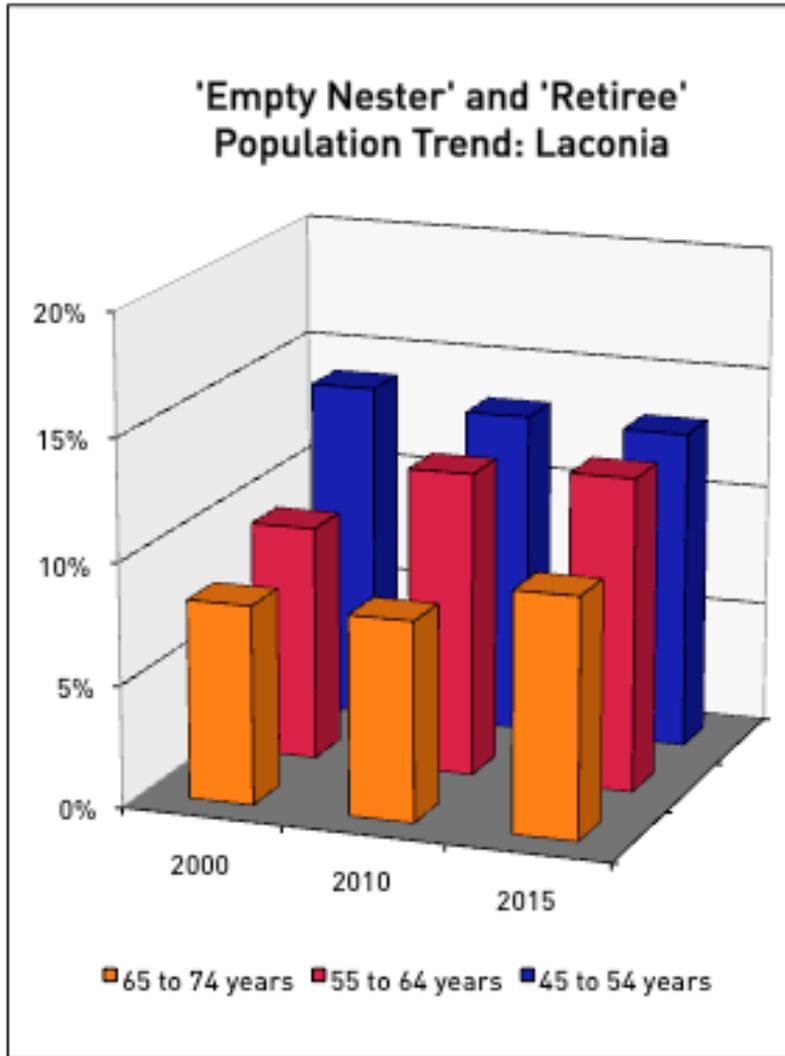
- * Income and education levels higher in NH and US

Low Levels of Home Ownership

- * Owner-occupied housing stock
 - * Laconia: 59%
 - * Greater Laconia: 73%
 - * New Hampshire: 75%



the market

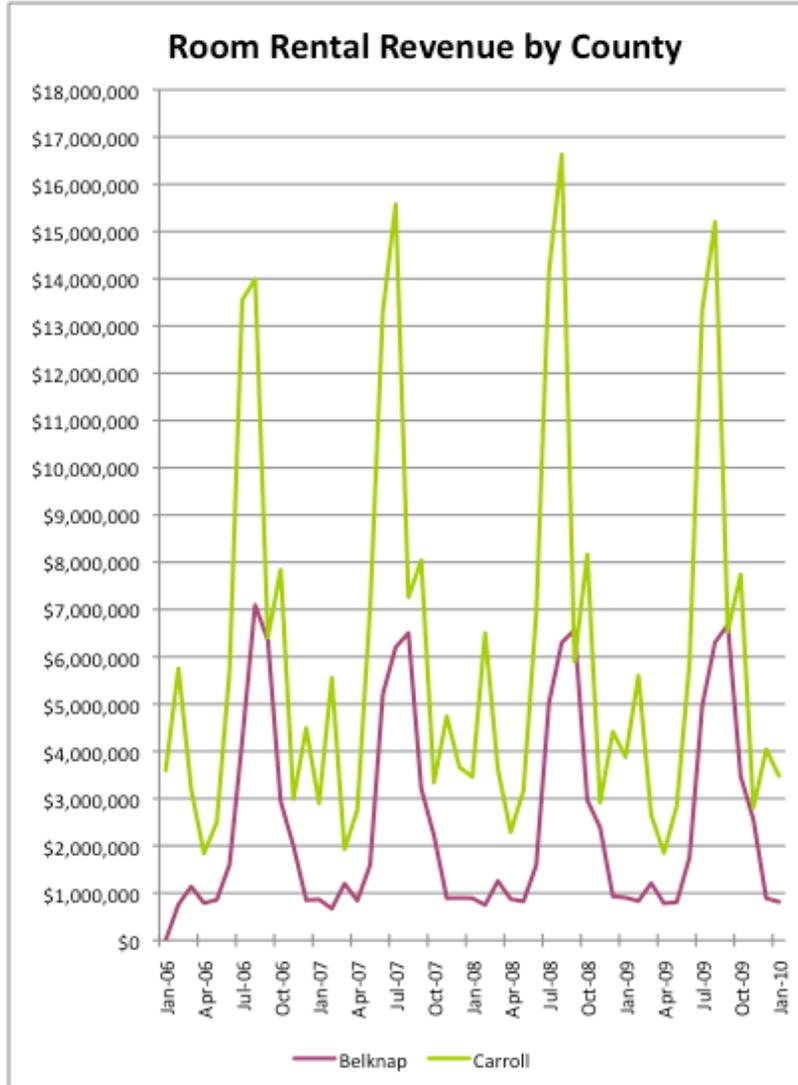


Aging

- * The percentage of Laconia's population age 55+ is predicted to grow from 20% in 2010 to 23% in 2015



the market



Second Home Market

- * Some evidence that vacant seasonal homes are being converted to second homes

Tourist Market

- * Growing
- * Highly Seasonal
 - * Lakes Region tourism spikes in the summer and visitors go elsewhere in New Hampshire during other seasons

Who is the target?

- * All of the above
- * Flexibility is key



uses and users

Notably, a primary user or set of resident performing arts groups did not emerge. Instead the Colonial Theatre would likely be utilized occasionally by a diverse set of community groups.

Arts and Entertainment

- * Occasional productions by local arts groups

Schools and Colleges

- * Possible creation of theatre or dance programs with Lake Region Community College
- * Aspirational facility for regional schools

Meeting and Events

- * Banquets, weddings, meetings, fundraisers and other events



existing performance facilities

Venues that regularly accommodate live performance:

- * 10 in Laconia
- * 23 additional venues in 30-mile radius

Local Venues

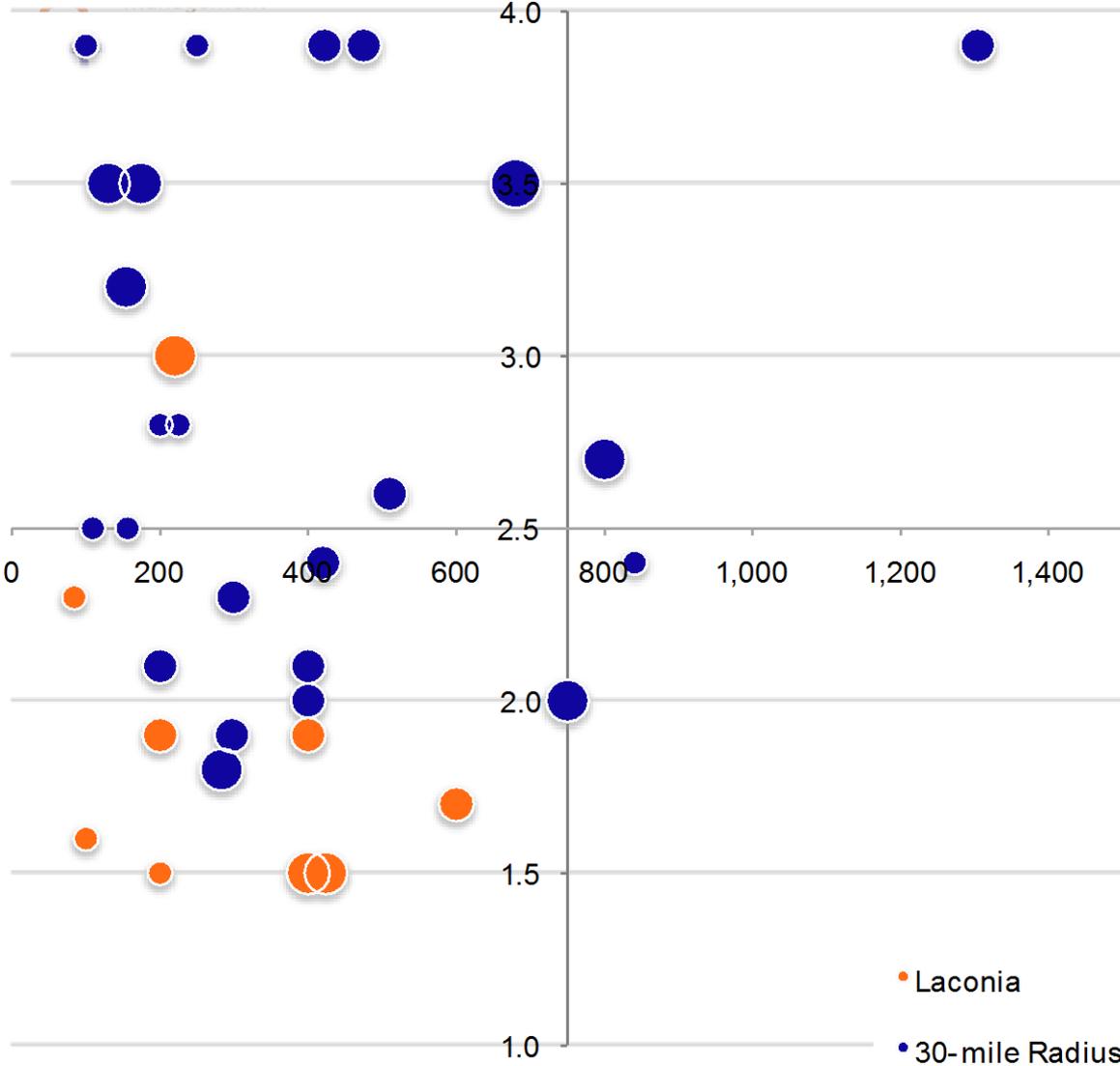
- * Lack of mid and large-scale venues over 600 seats
- * Two inactive venues (Colonial and Garden Theatre)
- * 60% are houses of worship or educational institutions
- * Winnepesaukee Playhouse (relocating) and Belknap Mill produce and present
- * Sacred Heart Church is the largest (600-capacity)

Regional Venues

- * Clustered in Plymouth, Concord and East of Laconia
- * Meadowbrook is the largest (6,651-capacity)
- * 9 present
- * 77% are available to rent for arts groups



PERFORMANCE VENUES: FACILITY RATING VS. CAPACITY



existing performance facilities



regional performing arts facilities



regional presenting activity

Competitive Presenting Market

- * Size of population base and Colonial capacity limit the type of events
 - * Broadway touring
 - * Family entertainment
- * Existing presenting facilities have relationships with agents and artists
- * Colonial capacity is prohibitive for the cost of many shows and artists
- * Nevertheless, we see an opportunity for film and some live events that take advantage of the unique setting and food service capability



community benefits and impacts

Downtown Development

- * The Colonial Theatre could be part of a larger effort to revitalize downtown that addresses:
 - * Overall vision for downtown
 - * Current retail and entertainment mix
 - * Traffic circulation
 - * Safety issues
 - * Parking capacity and access
 - * Incentives for small business owners

Cultural Tourism

- * Re-animated Colonial Theatre has the potential to draw visitors from throughout the Lakes Region



conclusions

Market

- * Limited residential market for arts and culture
- * Regional market may have more propensity and capacity

User Demand

- * Limited demand on the part of arts groups
- * A more diverse set of users with potential to bring various uses
 - * Classes, concerts and private events

Existing Facilities

- * Local facilities limited in terms of capacity and size
- * Competitive regional market
- * There may be an opportunity for a unique venue

Benefits and Impacts

- * Potential impact on downtown revitalization is substantial
- * A development project that connects Laconia's past with its future



recommendations

Phased Renovation

- * Phase One: Clean up and clear out the Colonial Theatre
- * Phase Two: Full renovation of storefronts and apartments
- * Phase Three: Completion of the Colonial Theatre
- * Scope and order of later work depends on success of early work



Recommendations

Phase One: Clean up and clear out the Colonial

- * Mechanical systems replaced and code issues addressed
- * Storefronts and apartments receive minimal upgrade
- * In the Theatre:
 - * Stage partially restored with limited staging capability
 - * Limited backstage accommodations added
 - * Orchestra level: Flex seating for theater-style, tables and chairs, or flat floor
 - * Balcony level: Partially restored with fixed seating
- * Food service and event planning skills required



recommendations



- * Phase One upgrades allow:
 - * Performing arts events not requiring extensive staging (i.e. music)
 - * Regular film screenings
 - * Community meetings and special events
 - * Private rentals: weddings or corporate functions
 - * Small trade shows or exhibits



recommendations



Phase Two: Full renovation of storefronts and apartments

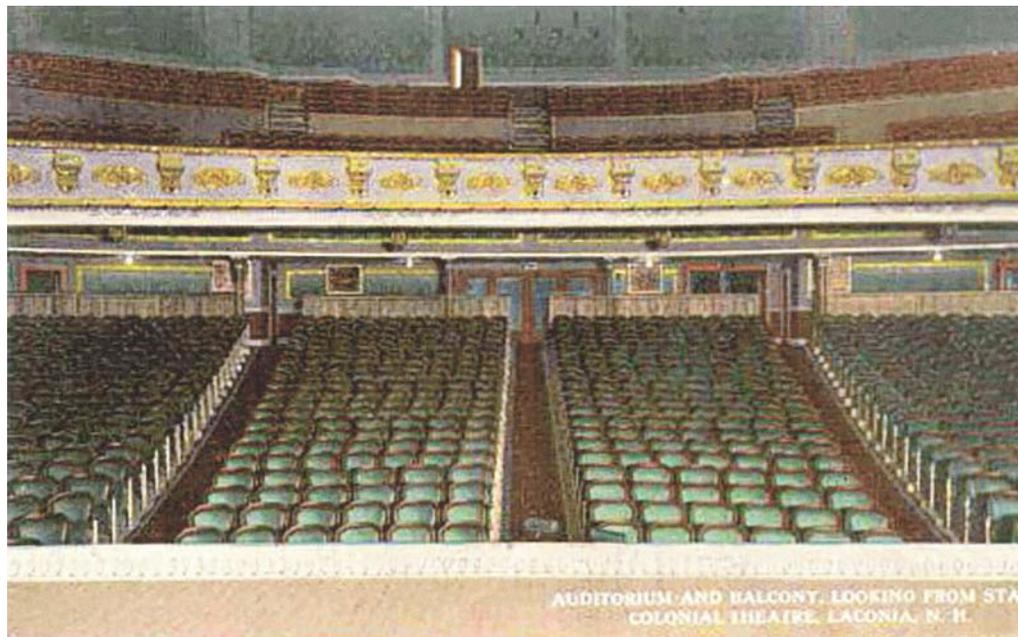
- * Physically distinct from the theater
- * Case is stronger once the theater is up and running
- * Funding may be pursued as a separate effort with a private sector partner
- * Options Include:
 - * Artist live-work or work-sell space
 - * Market-Rate Housing
 - * Student Housing



recommendations

Third Phase: Completion of the Colonial Theatre Restoration

- * Specific plans would be influenced by programming results up to this point
- * Options include:
 - * New light and sound systems and full fly tower
 - * Additional backstage accommodations for performers
 - * Restoration of decorative elements
 - * Automated system to adjust the orchestra level from theater-style to tables and chairs to flat-floor



next steps

1. Share the findings with the community
2. If there is general agreement, move forward with a preliminary structural review
3. City Council creates an Advisory Committee to advance the project as a community-wide effort, not just a City project
4. Advisory Committee raises funds for physical plans, business plan, and fundraising study, also touring relevant regional venues

