

Lafayette Performing Arts Center White Paper 2021

Draft 2021-10-25.1

Executive Summary

Community stakeholders in Lafayette have come together to envision a new performing arts center to replace the aging Heymann Performing Arts Center, which was constructed originally in 1960. The new Lafayette Performing Arts Center (LPAC) would be located on a new site and accommodate at least the same size audiences and functions as the Heymann Center's 2,200 seat auditorium and convention center. A new center is envisioned as creating significant new investment, activity, and attention for the urban core of Lafayette, with a site to be determined through a highest-and-best-use analysis. The new center would ideally house a secondary, smaller venue for performances that could happen concurrently with the large auditorium, as well as rehearsal and recording studio spaces and an elegant lobby. In all sites, the new center would include a multi-level parking structure to service the building during performances and events. A project of Lafayette Consolidated Government in partnership with University of Louisiana at Lafayette, this project would cost approximately \$100 million and will be financed by \$75 million in Capital Outlay from the State of Louisiana and a local match of \$25 million from a time-limited one-cent sales tax in the City of Lafayette (likely for 1 year or less), which would go to a vote by the people of Lafayette, ideally during the November 2022 election.

Project Timeline & Milestones

2021 Lafayette community leaders and key stakeholders form a committee to study a possible performing arts center.

2022 Public financing pursued through State Capital Outlay (spring) and Local Sales Tax (fall) with a goal of \$100 million.

LCG engages architects to begin engineering and design.

Committee selects the site and finalized scope of the project.

2023 Private fundraising begins to secure naming rights for LPAC and sub-components with a goal of creating a \$25 million operating and maintenance endowment.

2024 Groundbreaking on construction

2026 Announcement of naming gifts, including recognition of a lead gift

2027 Construction is finished. The Lafayette Performing Arts Center opens to the public with a grand opening concert and ten days of festivities.

How We Got Here

Stakeholders Committee Formation

A stakeholders committee was formed, which included Lafayette Consolidated Government, represented by Mayor-President Josh Guillory, University of Louisiana at Lafayette, represented by President Joseph Savoie, the Lafayette Parish School Board, represented by board president Mary Morrison, members of the Lafayette legislative delegation, nonprofit arts organizations Acadiana Center for the Arts and Performing Arts Serving Acadiana, as well as community members Carol Ross and Paul Eason. Former Mayor-President Joel Robideaux called the meeting. The committee met on August 10, 2021 and again on October 4, 2021 and discussed topics, including limitations of the existing Heymann Center, the cost to renovate the existing structure, needs that could be answered by a new performing arts center, and financing options.

Review of limitations of the existing Heymann Center and cost-benefit analysis of renovation

The committee shared a consensus that there are significant, structural limitations of the existing center, constructed in 1960, which prevents event promoters from bringing major artists and productions to the center. Major improvements to seating, lobby, parking, and back of house areas would be needed to accommodate Broadway touring performances as they are currently produced. New technology for these productions, as well as high-profile concerts, has outstripped the Heymann Center's electrical, audio/video, and rigging systems. The facility also lacks ADA-compliant seating in many lobby and seating areas.

The committee discussed renovating the existing structure and reviewed the example of a similar scope for renovation at River Center Theatre in Baton Rouge—an 1,800 seat venue, scheduled to reopen in September 2021 after undergoing a three year modernization renovation. That scope, “includes significant updates to the interior and exterior of the 44-year-old building, including a retooled façade and entrance plaza, an expanded lobby, improved acoustics and larger seats with center aisles that allow for better movement.” The Heymann Center is notably

both an older and larger facility than the River Center Theatre, and these renovation costs would be in addition to any upgrades to building mechanical and electrical systems that may be needed. The committee also held a consensus that such a public investment would not be desirable on the existing site, given the adjacency to Ochsner Lafayette General Hospital, which is expected to continue expanding. The hospital's expansion would prevent the kinds of private developments that a performing arts center project would typically catalyze in a neighborhood, particularly restaurants and hotels located within walking distance of a center.

Review of needs for a new performing arts center and development opportunities

The merits and needs for a new performing arts center have been discussed among city leadership for many years. A new performing arts center would replace the existing Heymann Center, on a new site, and serve as a high-profile quality of life project and reinforce Lafayette's place as a highly-competitive regional "Hub City." Furthermore, a more ideally-situated center would unlock greater economic activity and draw audiences from a wide geographic area for major touring acts, bringing more revenue from outside the parish and growing demand for existing and new private developments including housing, hotels, and entertainment.

The final site will be selected alongside the process of confirming public and private support in order to maximize opportunities for side-along developments that would increase the viability of the center itself.

Facility Design Criteria

The new center's architectural program will serve to replace and exceed the ability of the existing Heymann Center's function serving performing arts promoters, theater and dance studios, the Mardi Gras associations, graduation ceremonies, among others.

A new center would accommodate a capacity of at least 2,200 people and as much as 3,000 people in a conventional seated auditorium with site-specific acoustic design and modern lighting, fly, and truss systems to be able to accommodate touring acts from travelling Broadway performances, major touring artists, and more complex theatrical productions like Cirque du Soleil.

The new center's design would provide a flexible-use facility to accommodate mixed seated-and-standing-room concerts equivalent to The Fillmore New Orleans, as well as providing private spaces for rehearsal, recording, hospitality, and private receptions. The facility should include a motorized floor change system to allow for quick and low-cost transformation into banquet or standing room format. See Schermerhorn Symphony Center in Nashville and Tobin Center in San Antonio as examples. Ideally, the site would also accommodate a smaller recital and performance space, and a front of house configuration that would allow for simultaneous performances in both spaces.

Additional specific needs should be coordinated with frequent users, including the Acadiana Symphony Orchestra, larger dance studios and theatre studios, and out-of-market promoters of touring concerts.

In all potential sites, parking will be provided to accommodate approximately 700 cars in a raised parking structure (variable depending on the venue's capacity).

Construction Costs & ROI

While there is not an estimated cost based on an engineered and designed program, we estimate a cost of \$100 Million, based on comparable projects built in recent years. We estimate a 100,00 square foot facility with a construction cost of approximately \$750/square foot.

Owned by Lafayette Consolidated Government and operated in partnership with University of Louisiana at Lafayette, it is envisioned that the project would be financed by \$75 million in Capital Outlay from the State of Louisiana and a match of \$25 million from Lafayette Consolidated Government, which would be funded by a time-limited one-cent sales tax in the City of Lafayette (likely for 1 year or less). The 1 cent sales tax would generate sufficient revenue in less than 1 year in order to cover the city's obligation towards the project. It is expected that this funding would go to a vote by the people of the City of Lafayette during the November 2022 ballot.

Focusing on net new economic activity specific to Lafayette Parish, the construction of a \$100 million, 2,200-fixed seat performing arts center is estimated to generate approximately \$26.2million in net new direct spending within Lafayette Parish, approximately \$40.4 million in net new output, 370 full and part-time jobs generating approximately \$15.8 million in net new earnings and approximately \$1,618,000 in net new taxes to the Parish. It would be viewed extremely favorably for a substantial private development to be triggered by this project and further multiply the public impact of this initial public investment.

Total return-on-investment will differ based on the final site selection. Return on investment will be a key criteria for determining the final site selection.

Operating and Management

A feasibility study conducted by ULL in 2011 identified an operating subsidy of ~\$700,000.00 per year as being necessary to operate and maintain a center of the size and program described.

Rather than encumber the local government with the liability of operating the facility, it is envisioned that the committee will conduct a capital campaign, in partnership with the Community Foundation of Acadiana in order to create a restricted endowment of at least \$25 Million in order to cover annual operating and maintenance cost as well as long-term major replacement and upgrade costs. The capital campaign will secure naming rights to the center and to various parts of the facility in perpetuity.

The majority of comparable facilities are owned and operated by the public sector. In most cases, the controlling public entity created a non-profit corporation or contracted with an existing non-profit corporation to manage the day-to-day operations of the facility.

We do not need to 'reinvent the wheel.' The city will look to similar operations in comparable markets to build future management plans, including the Holland Center in Omaha, NE; the Globe-News Center for the Performing Arts in Amarillo, TX; the Fox Cities Performing Arts Center in Appleton, WI; and the Clayton Center for the Arts in Knoxville, TN, among others.