

# Longmont, Colorado

Arts Center, Events Center, & Hotel  
Market Analysis & Feasibility Study Phase 1

February 2020



An aerial photograph of a landscape. In the foreground, there is a large, calm lake on the left side. To the right of the lake, there is a residential area with many houses and trees. Further back, there are green fields and some industrial structures. In the background, a range of mountains is visible under a clear sky. The text "Project Introduction" is overlaid in the center of the image.

# Project Introduction

# Project Introduction

## Phase 1: Market & Demand Feasibility

### Questions to be Answered:

- How do Longmont's economics and demographics affect feasibility?
- What other facilities exist in Longmont and surrounding areas?
- What are other communities like Longmont doing with regard to these facilities?
- What are the primary sources of demand for these facilities?
- Are these sources of demand sufficient to support development of new facilities?
- Should new facilities be developed from a market and demand perspective?

# Project Introduction

## Phase 1: Market & Demand Feasibility

### Tasks & Completion:

Task 1 - Project Orientation & Fieldwork	100%
Task 2 - Market Analysis	100%
Task 3 - Competitive Analysis & Case Studies	100%
Task 4 - Industry Trends	100%
Task 5 - Stakeholder Engagement	100%
Task 6 - Demand & Utilization Projections	90%
Task 7 - Recommendations	100%

# Project Introduction

## Phase 2: Financial & Locational Feasibility

### Questions to be Answered:

- How should Longmont strategize for the future of its existing facilities?
- Where in Longmont should the development of new facilities occur?
- Who should own, manage, and operate new facilities?
- How much will the development of new facilities cost?
- What volume of operating revenue and expenses will new facilities generate?
- What economic and fiscal impacts will new facilities generate?
- How can the development and operations of new facilities be funded?

# Project Introduction

## **Phase 2: Financial & Locational Feasibility**

### **Tasks & Completion:**

<b>Task 8 - Community Action Plan</b>	<b>0%</b>
<b>Task 9 - Site Analysis</b>	<b>0%</b>
<b>Task 10 - Preliminary Development Cost Estimate</b>	<b>0%</b>
<b>Task 11 - Operational &amp; Financial Analysis</b>	<b>0%</b>
<b>Task 12 - Economic &amp; Fiscal Impact Analysis</b>	<b>0%</b>
<b>Task 13 - Funding Strategies</b>	<b>0%</b>



An aerial photograph of a valley. In the foreground, there is a large, calm lake on the left side. To the right of the lake, there is a residential area with many houses and trees. In the background, there are rolling hills and a range of mountains under a clear sky. The text "Summary of Economic & Demographic Analysis" is overlaid in the center of the image in a large, white, serif font.

# Summary of Economic & Demographic Analysis

# Economic & Demographic Analysis

## **Favorable Indicators Across the Board**

- Substantial and rapidly growing population base in Longmont, adjacent metropolitan areas, and 30, 60, and 90-minute drive time catchment areas
- Significant existing corporate presence with growth expected to accelerate in the near future
- Higher concentration of young families relative to state and national averages
- Very well-educated population with high household incomes that are expected to increase faster than state and national averages
- Robust, resilient, and diverse economic base with low unemployment and healthy industry clusters
- High affinity for participation in arts programming and for attendance at arts events



An aerial photograph of a landscape. In the foreground, there is a large, calm lake on the left side. To the right of the lake, a residential town with many houses and trees is visible. In the background, there are rolling hills and a range of mountains under a clear sky. The text "Stakeholder & Community Engagement" is overlaid in the center of the image in a large, white, sans-serif font.

# Stakeholder & Community Engagement

# Stakeholder & Community Engagement

Best Western Plaza Hotel

Bonnie & The Clydes

Boulder County Fairgrounds

Centennial State Ballet

City of Longmont

City of Longmont Planning & Development

City of Longmont Redevelopment & Revitalization

City of Longmont Community Services

Colorado Society of Association Executives

ConferenceDirect

D-Barn Reception Hall

Longmont Elks Lodge

Flatirons Church (Former Plaza Convention Center)

Left Hand Brewing

Longmont Chamber of Commerce

Longmont Chorale

Longmont City Council

Longmont Community Foundation

**50+**  
meetings with  
local  
stakeholders,  
community  
leaders, &  
industry experts

Longmont Concert Band

Longmont Creative District

Longmont Downtown Development Authority

Longmont Economic Development Partnership

Longmont Museum

Longmont Performing Arts Initiative

Longmont Symphony Orchestra

Longmont Theatre Company

Longmont United Hospital / Centura

Longmont United Hospital Foundation

Lyons Gaddis

Meeting & Event Planners

RE/MAX Commercial

Seagate Technology

St. Vrain Valley School District

Talent Buyers & Entertainment Producers

The J.M. Smucker Company

The Latino Chamber of Boulder County

Visit Longmont

Woodley's Fine Furniture<sup>10</sup>

# Stakeholder & Community Engagement

## Arts Center

- Capacity to accommodate performing arts audiences for anchor tenants as well as commercial acts
- Provides state-of-the art venue – doesn't currently exist in Longmont
- Solves the issues surrounding booking congestion, limited capacity, insufficient technical infrastructure, limited stage size, and food and beverage capabilities experienced at other Longmont venues

# Stakeholder & Community Engagement

## Arts Center

- Allows Longmont to retain people for arts events - the majority of which are leaked to surrounding areas according to the arts center survey
- Multiple venues allow for performances to occur in either larger or more intimate venues, and for performance to occur simultaneously
- Room for growth in the future without overburdening Longmont today
- Comprehensive plan for Longmont Arts & Culture is on the horizon

# Stakeholder & Community Engagement

## Events Center

- Represents a marketable space that will allow Longmont to convert RFPs as well as a space that can host a variety community events
- Alleviates the severe lack of multipurpose event space in Longmont and the surrounding areas as revealed by the event space inventory and area of opportunity chart



# Stakeholder & Community Engagement

## Events Center

- Accommodates a variety of event types and users of event space
- Multiple event spaces allow for events that require both large general sessions and smaller breakouts, allow for multiple events to take place concurrently, and prevents unnecessary flipping of rooms
- Supports the need for event space reflected in the events center survey

# Stakeholder & Community Engagement

## Arts Center Survey

### **Target Audience:**

All individuals in the Longmont community

### **Launched:**

December 10<sup>th</sup>

### **Closed:**

January 10<sup>th</sup>

### **Responses:**

1,005

## Events Center Survey

### **Target Audience:**

Organizations that hold events in the Longmont community and in the region

### **Launched:**

December 10<sup>th</sup>

### **Closed:**

January 10<sup>th</sup>

### **Responses:**

119

# Stakeholder & Community Engagement

## Key Findings: Arts Center Survey

- **82%** of respondents attend or participate in some type of arts event **a few times per year or more**, **18%** do so **once per year or less**
- **44%** of respondents attend or participate in arts events mostly or exclusively **outside Longmont**, just **19%** do so mostly or exclusively **within Longmont**

# Stakeholder & Community Engagement

## Key Findings: Arts Center Survey

- **Top 3 venues in Longmont:** Vance Brand Civic Auditorium, Stewart Auditorium, Longmont Performing Arts Center
- **Top 3 venues outside Longmont:** Denver Center for the Performing Arts, Macky Auditorium, Chautauqua Auditorium
- **Top 2 reasons** why respondents leave Longmont for arts events: **events aren't offered in Longmont (85%)** and **no facilities in Longmont to host these events (49%)**

# Stakeholder & Community Engagement

## Key Findings: Events Center Survey

- **Top 5 types of organizations:** non-profits, corporations, associations, government organizations, and educational institutions
- **25%** of organizations do not regularly hold events, **55%** hold 1-10 events per year, and **20%** hold more than 10 events per year
- **Top 3 types of events:** meetings, entertainment events, and banquets



# Stakeholder & Community Engagement

## Key Findings: Events Center Survey

- **91%** of organizations' most frequent event has less than 500 attendees, **31%** of organizations' largest event has more than 500 attendees
- **16%** of organizations hold their events exclusively or mostly outside Longmont, **57%** hold their events exclusively or mostly within Longmont
- **Top 3 facilities in Longmont:** Longmont Museum, Longmont Senior Center, Best Western Plus Plaza Hotel



# Longmont's Performing Arts, Events, & Hotels Inventory

# Longmont's Arts Venue Inventory

## 57 Relevant Arts Venues within 35 miles of Longmont

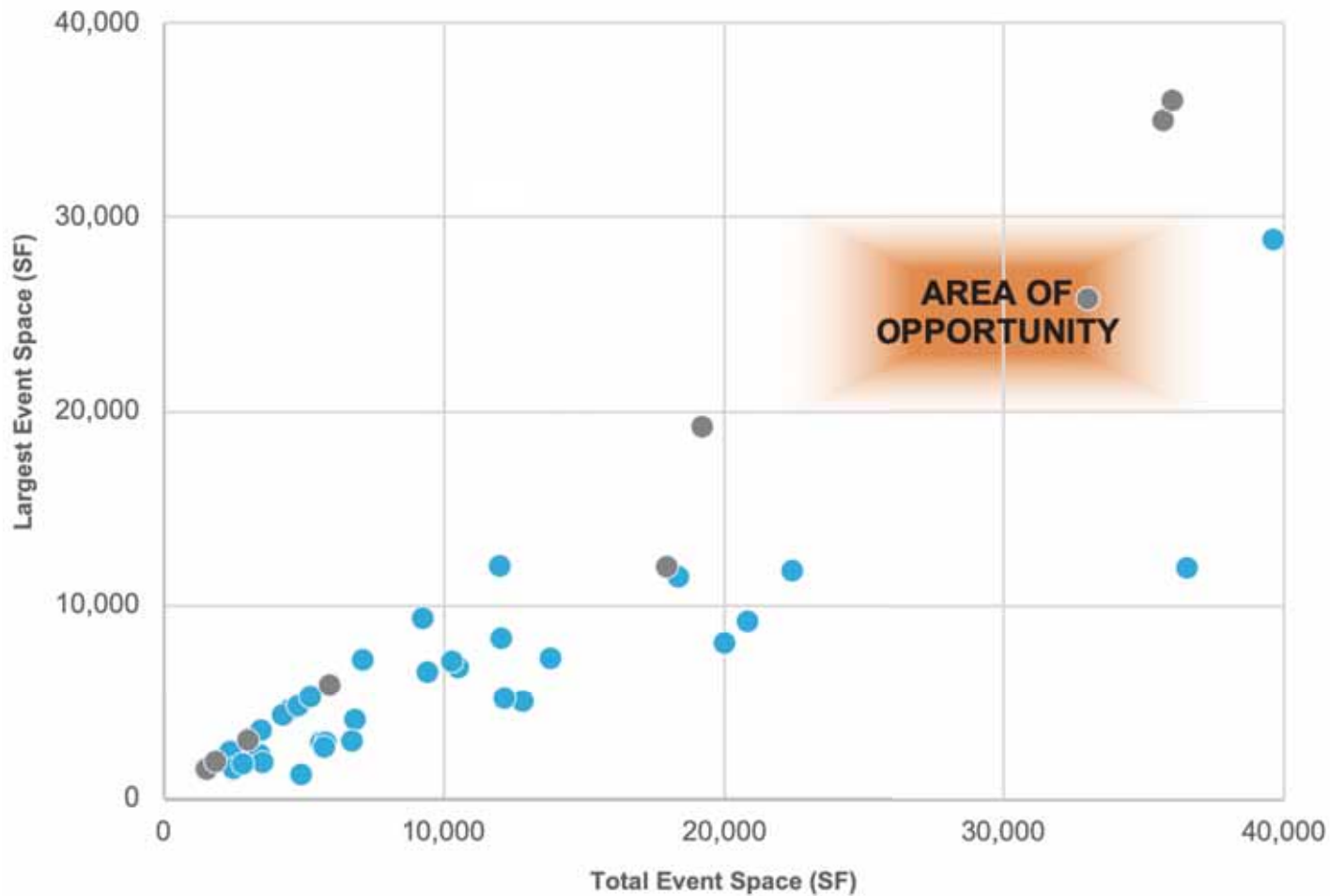
- **Size of Venue:**

- Less than 250 seats: 14
- 250-499 seats: 16
- 500-999 seats: 15
- 1,000-1,499 seats: 4
- 1,500-1,999 seats: 3
- 2,000-2,499 seats: 2
- 2,500 seats or more: 3

- **Type of Venue:**

- Auditoriums / Theaters
- Amphitheaters
- Clubs / Private Venues
- Schools / Colleges / Universities \*
- Churches \*

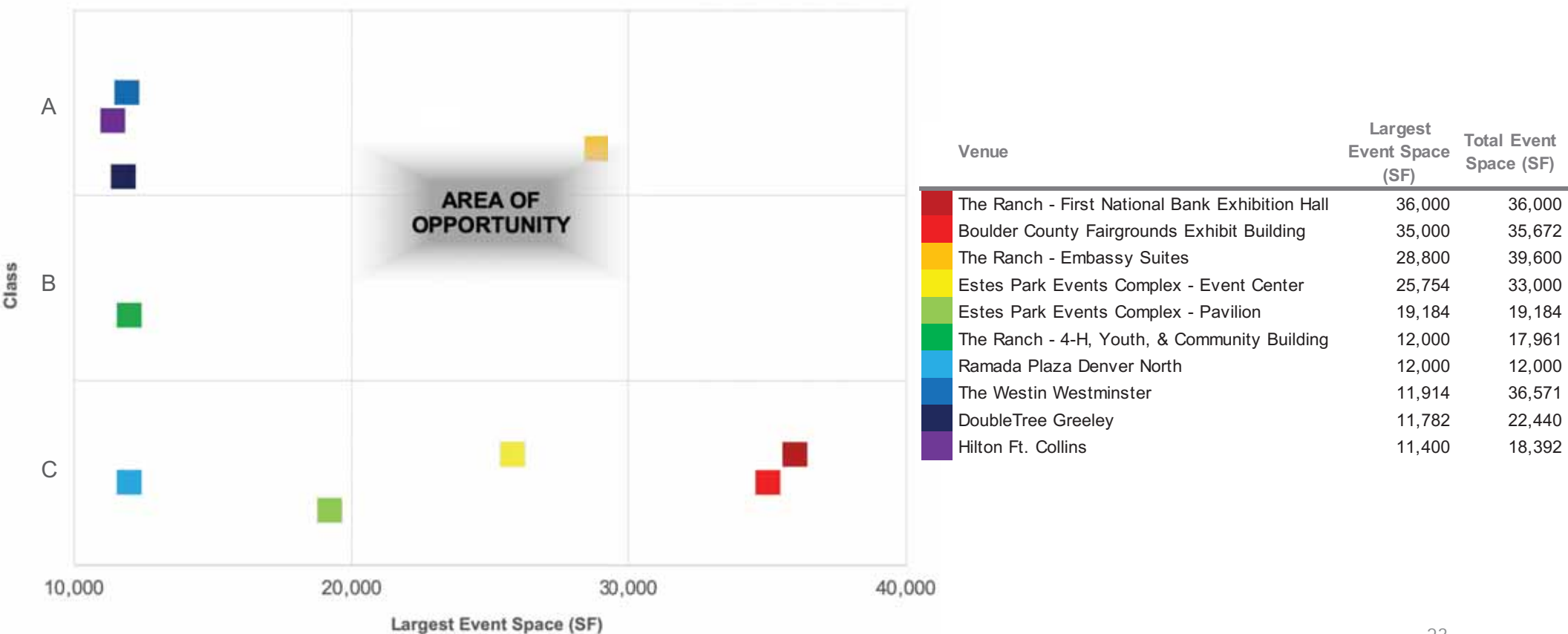
# Longmont's Event Facility Inventory



## Legend

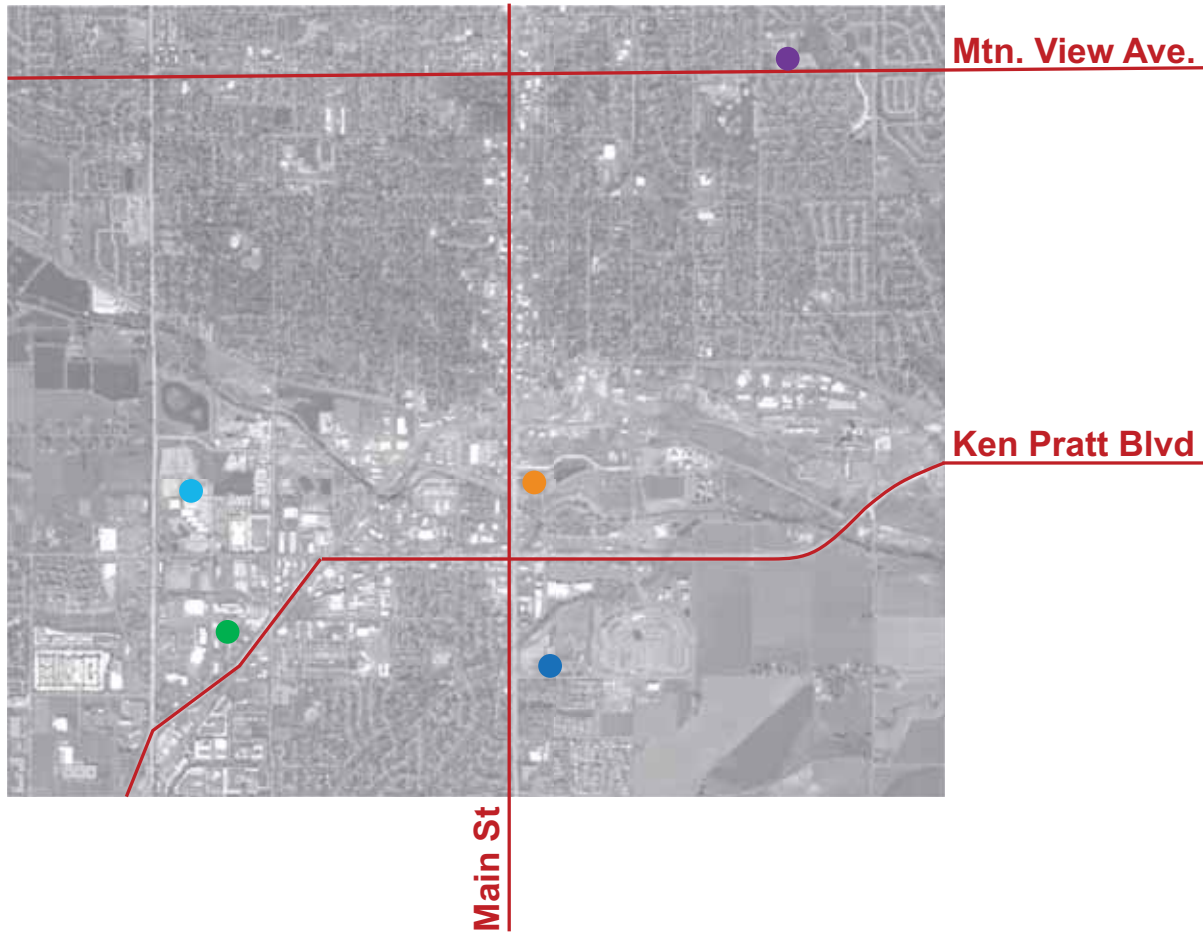
- Ballroom Quality
- Not Ballroom Quality

# Longmont's Event Facility Inventory





# Focused Facility Inventory



- **Fairgrounds**
- **D-Barn Reception Hall**
- **Vance Brand Civic Auditorium**  
at Skyline High School
- **Flatirons Church**  
Former Plaza Convention Center
- **Stewart Auditorium**  
at Longmont Museum & Cultural Center

## **Common Limitations:**

Insufficient Capacity  
Food & Beverage Limitations  
Booking Congestion  
Other Primary Users  
Facility Configuration  
Infrastructure Limitations

# Longmont's Hotel Inventory

	Within 10 Miles	Within 20 Miles	Within 30 Miles
<b>% of Total Rooms</b>			
Limited Service	38%	30%	29%
Select Service	62%	52%	44%
Full Service	0%	19%	28%
<b>Total Number of Hotels</b>	<b>24</b>	<b>111</b>	<b>340</b>
<b>Total Number of Rooms</b>	<b>1,755</b>	<b>11,320</b>	<b>39,904</b>
<b>Average Number of Rooms</b>	<b>73</b>	<b>102</b>	<b>117</b>

*Source: STR, Johnson Consulting*

	2017	2018	2019
Occupancy	64.4%	63.4%	61.4%
Average Daily Rate	\$123.44	\$109.17	\$120.56
Revenue Per Available Room	\$79.44	\$69.21	\$73.98

*Source: Colorado Hotel & Lodging Association, Johnson Consulting*

An aerial photograph of a landscape. In the foreground, there is a large, calm lake on the left side. To the right of the lake, there is a residential area with many houses and trees. Further back, there are green fields and some smaller bodies of water. In the background, a range of mountains is visible under a clear sky. The text "Case Studies" is overlaid in the center of the image.

# Case Studies

# Case Studies

## National Case Studies



Federal Way, WA



Bellevue, WA



Durham, NC



St. Charles, MO



Sandy Springs, GA



Parker, CO



Arvada, CO



Burnsville, MN



Provo, UT



Greeley, CO



Ft. Collins, CO

## Regional Case Studies



# Case Studies

## Case Study Insights

- **Location & Demographics**
  - Population
  - Income
  - Age
  - Spending Indices
- **Facility**
  - Ownership & Management
  - Event Venues & Spaces
  - Capacities
- **Demand & Utilization**
  - # of Events per Year
  - Total Attendance per Year
- **Financials**
  - Operating Revenues & Expenses
  - Net Operating Income (Deficit)
  - Public Subsidies
  - Contributions & Grants



# Case Studies

## Market Analysis

	Longmont	Arvada	Durham	Federal Way	Bellevue	Parker	Sandy Springs	St. Charles	Burnsville	Ft. Collins	Greeley	Provo
<u>Within 30 Minutes</u>												
Population	534,597	1,323,329	886,038	1,102,465	1,804,307	1,247,138	1,472,307	1,430,141	1,725,512	360,427	243,545	660,297
Median Household Income	\$83,876	\$72,021	\$77,989	\$71,092	\$100,082	\$84,303	\$80,351	\$66,445	\$77,437	\$72,083	\$65,091	\$74,235
Bachelor's Degree or Higher	52.3%	43.4%	58.0%	29.3%	57.8%	49.1%	57.9%	41.8%	49.9%	47.8%	30.7%	43.1%
<u>Within 60 Minutes</u>												
Population	2,637,948	3,274,959	2,463,128	3,448,349	3,150,728	3,535,955	5,014,140	2,704,561	3,496,896	995,229	1,101,648	2,025,113
Median Household Income	\$73,216	\$78,254	\$64,919	\$84,590	\$91,194	\$79,636	\$68,597	\$62,483	\$78,743	\$74,328	\$75,395	\$74,409
Bachelor's Degree or Higher	42.1%	46.0%	43.5%	44.3%	46.8%	46.1%	41.4%	35.8%	43.7%	41.1%	38.1%	39.5%
<u>Within 90 Minutes</u>												
Population	4,037,989	4,026,130	4,295,409	4,503,164	4,290,627	4,679,408	6,757,199	3,109,343	4,368,656	2,863,889	3,716,987	2,667,615
Median Household Income	\$77,083	\$77,706	\$57,377	\$83,315	\$84,852	\$76,030	\$64,620	\$60,703	\$76,611	\$72,417	\$75,868	\$73,137
Bachelor's Degree or Higher	45.2%	45.7%	36.5%	41.9%	42.2%	44.6%	36.9%	33.3%	40.9%	41.8%	44.6%	37.2%
<u>Legend</u>												
	< Higher											Lower >

Source: Esri, Johnson Consulting

## Takeaways for Longmont:

- Solid population base especially within 60 and 90 minutes
- Very favorable income and education levels

An aerial photograph of a landscape. In the foreground, there is a large, calm lake on the left side. To the right of the lake, a town or village is visible, characterized by numerous small buildings and a network of roads. The middle ground consists of rolling hills and fields. In the background, a range of mountains is visible under a clear sky. The overall scene is a mix of natural and developed land.

# Demand & Utilization Potential

# Demand & Utilization Potential

## LPAI Event Schedule

2019

SEPTEMBER							OCTOBER							NOVEMBER							DECEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7			1	2	3	4	5						1	2	1	2	3	4	5	6	7
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	8	9	10	11	12	13	14
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	15	16	17	18	19	20	21
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	22	23	24	25	26	27	28
29	30						27	28	29	30	31			24	25	26	27	28	29	30	29	30	31				

2020

JANUARY							FEBRUARY							MARCH							APRIL						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4							1	1	2	3	4	5	6	7				1	2	3	4
5	6	7	8	9	10	11	2	3	4	5	6	7	8	8	9	10	11	12	13	14	5	6	7	8	9	10	11
12	13	14	15	16	17	18	9	10	11	12	13	14	15	15	16	17	18	19	20	21	12	13	14	15	16	17	18
19	20	21	22	23	24	25	16	17	18	19	20	21	22	22	23	24	25	26	27	28	19	20	21	22	23	24	25
26	27	28	29	30	31		23	24	25	26	27	28	29	29	30	31					26	27	28	29	30		

MAY						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

### LEGEND

No LPAI events

1 LPAI event

2 LPAI events

3 LPAI events

\* Includes both rehearsals and performances

**153 Events Total:**

43 Performances

110 Rehearsals

# Demand & Utilization Potential

**Top 10 Venues in the U.S. with Less than 2,000 Capacity (2018)**

Rank	Venue	Location	Type	Tickets Sold	Capacity
1	9:30 Club	Washington D.C.	Club	240,156	1,200
2	Count Basie Center for the Arts	Red Bank, NJ	Theater / Auditorium	191,497	1,543
3	The Paramount	Huntington, NY	Club	178,265	1,573
4	Schermerhorn Symphony Center	Nashville, TN	Theater / Auditorium	174,204	1,844
5	Walter Kerr Theatre	New York, NY	Theater / Auditorium	173,461	975
6	The Wilbur	Boston, MA	Club	172,155	1,200
7	First Avenue	Minneapolis, MN	Club	167,241	1,550
8	Mayo Performing Arts Center	Morristown, NJ	Theater / Auditorium	163,128	1,302
9	HEB Performance Hall	San Antonio, TX	Theater / Auditorium	150,245	1,746
10	Barbara B. Mann Hall	Fort Myers, FL	Theater / Auditorium	144,088	1,874

*\*Boulder Theatre ranks 16th with ticket sales of 127,044 and capacity of 850*

*Source: Pollstar, Johnson Consulting*

# Demand & Utilization Potential

## Arts Center

### No Arts Center

- No Costs
- Insufficient supply of arts venues in Longmont
- Does not relieve booking congestion at existing venues
- Longmont continues to leak residents to other communities for arts events & programming
- LPAI continues to struggle with limited existing venues
- Longmont does not attract commercial arts events & performances

### 500 – 1,000 Seats

- Low Development & Operating Costs
- Undersized arts venue for Longmont market
- Relieves some booking congestion at existing venues
- Longmont continues to leak some residents to other communities for arts events & programming
- Cannot accommodate larger arts events & performances
- Attracts low and mid-tier arts events & performances

### 1,000 – 1,500 Seats

- Moderate Development & Operating Costs
- Adequately sized arts venue for Longmont market
- Relieves most booking congestion at existing venues
- Longmont retains most residents for arts events & programming
- Accommodates most larger arts events & performances
- Attracts low, mid, and top-tier arts events & performances

### 1,500+ Seats

- High Development & Operating Costs
- Oversized arts venue for Longmont market
- Relieves most booking congestion at existing venues
- Longmont retains most residents for arts events & programming
- Accommodates larger arts events & performances
- Attracts mid and top-tier arts events & performances

# Demand & Utilization Potential

## Arts Center



	No Arts Center	500 - 1,000 Seats	1,000 - 1,500 Seats	1,500 - 2,000 Seats	2,000+ Seats
Community Demand	Not Favorable	Cautionary	Favorable	Favorable	Favorable
LPAI Demand	Not Favorable	Cautionary	Favorable	Favorable	Favorable
Commercial Demand	Not Favorable	Cautionary	Favorable	Cautionary	Not Favorable
Development Complexity	Favorable	Favorable	Favorable	Cautionary	Not Favorable
Operational Complexity	Favorable	Favorable	Favorable	Cautionary	Not Favorable
Market Limitations	Favorable	Favorable	Favorable	Cautionary	Not Favorable
	Not Favorable	Cautionary	Favorable	Cautionary	Not Favorable

Source: Johnson Consulting



# Demand & Utilization Potential

## Events Center

### No Events Center

- No Costs
- Insufficient supply of event facilities in Longmont
- Does not relieve booking congestion at existing facilities
- Longmont continues to leak medium and large events to other communities
- Events at existing facilities are limited by inflexible configurations and must transition mid-event
- Longmont does not convert event RFPs

### 15,000 – 25,000 Sq. Ft.

- Low Development & Operating Costs
- Undersized events facility for Longmont market
- Relieves some booking congestion at existing facilities
- Longmont continues to leak large events to other communities
- Events have some flexibility regarding configuration and mid-event transitions
- Longmont converts some event RFPs

### 25,000 – 35,000 Sq. Ft.

- Moderate Development & Operating Costs
- Adequately sized events facility for Longmont market
- Relieves most booking congestion at existing facilities
- Longmont retains most small, medium, and large events within the community
- Events have flexibility regarding configuration and mid-event transitions
- Longmont converts most event RFPs


### 35,000+ Sq. Ft.

- High Development & Operating Costs
- Oversized arts venue for Longmont market
- Relieves most booking congestion at existing venues
- Longmont retains most small, medium, and large events within the community
- Events have flexibility regarding configuration and mid-event transitions
- Longmont converts most event RFPs




# Demand & Utilization Potential

## Events Center



	No Events Center	15,000 - 25,000 Square Feet	<b>25,000 - 35,000</b> <b>Square Feet</b>	35,000 - 45,000 Square Feet	45,000+ Square Feet
Community Demand	Not Favorable	Cautionary	Favorable	Favorable	Favorable
Corporate Demand	Not Favorable	Cautionary	Favorable	Favorable	Favorable
SMERFE Demand	Not Favorable	Cautionary	Favorable	Favorable	Favorable
Development Complexity	Favorable	Favorable	Favorable	Cautionary	Not Favorable
Operational Complexity	Favorable	Favorable	Favorable	Cautionary	Not Favorable
Market Limitations	Favorable	Favorable	Favorable	Cautionary	Not Favorable
Legend	Not Favorable	Cautionary	Favorable	Cautionary	Not Favorable



Source: Johnson Consulting



# Strategic Recommendations

# Strategic Recommendations

## Co-Located Arts & Events Center in Longmont

### Multipurpose Theater

- 1,000-1,500 seats
- Removable seats in the first tier to allow increase capacity for standing audiences or for flat floor, gala-style events
- Proscenium stage with Wing Space
- Lighting & A/V Grid
- Orchestra Pit
- Matches capacity of Multipurpose Hall to allow for seamless transitions when used in tandem

### Multipurpose Room / Black Box

- 5,000 square feet
- 300-350 removable seats
- Flexible Stage Capabilities
- Lighting & A/V Grid

### Multipurpose Hall

- 20,000-30,000 square feet
- Highly divisible with flexible configurations
- Accommodates multipurpose events and users

### Meeting Rooms / Classrooms / Rehearsal Rooms

- 10,000 square feet in total
- 14 meeting / classrooms / rehearsal rooms of varying sizes
- Highly divisible with flexible configurations

### Back of House & Supporting Spaces

- Lobby & Pre-Function Areas
- Commercial Kitchen
- Green Rooms & Dressing Rooms
- Restrooms & Storage

# Johnson Consulting

Johnson Consulting, Inc., a corporation founded in 1996 in Chicago, IL, is nationally recognized for its market research, economic impact studies, and consulting expertise for entertainment and performing arts facilities, conference and convention centers, hotels, sports facilities and mixed-use real estate developments. We have extensive experience in preparing feasibility reports for arts and events centers, and have earned a reputation for quality, integrity, and success among facility owners and operators, developers, universities, and within the public finance community. Our firm works extensively in the areas of business planning, structuring public-private partnerships, and maximizing economic return from such venues.

