

Homage to Penny

Michele Hoben

A Discourse of the Recommendations for the Torpedo Factory Art Center

as identified by the Cultural Planning Group's report:

Torpedo Factory Art Center Business Analysis and Recommendations

August 3, 2016

August 17, 2016

This report does not necessarily
reflect the views of the entire
Torpedo Factory Art Center Board.

Torpedo Factory Art Center Joint Executive Committees Work Group

Torpedo Factory Art Center Board

Torpedo Factory Artists' Association

The Art League

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Introduction

In December 2015, the Torpedo Factory Art Center Board (TFACB) passed a motion for the Torpedo Factory Artists' Association (TFAA) and TFACB executive boards to form a work group to review the recommendations made by the Cultural Planning Group (CPG) and develop a plan for moving forward.

In January 2016, a Joint Executive Committees Work Group (Work Group) consisting of the TFAA and TFACB Executive Boards plus the President and Executive Director of The Art League was formed and began meeting weekly. In addition to regular 2-hour weekly meetings, the group held three half-day, off-site sessions, and routinely worked via email.

Please view Appendices A-C for motions from the TFACB, TFAA and Alexandria Commission for the Arts that helped create the Joint Executive Committees Work Group.

During the seven months the Work Group has been meeting, there have been several changes in the members, but the group has always represented all stakeholders. The current Work Group consists of 10 members; six are artists, five are non-artist, eight are city residents and two are non-city residents. All members are part of at least one arts board. Below is the roster of all work group members. Current Work Group members are listed in bold.

Athanas, Jen -	TFAA, Treasurer
Barringer, Penny -	TFACB, Former Treasurer, deceased
Bethel, Suzanne -	TAL, CEO
Beynette, Kathy-	TFAA, Secretary, resigned
Detomo, Michael -	TFACB, President
Fortwengler, Nancy -	TAL, President
Hoben, Michele -	TFACB, Vice President
Knott, Greg -	TFAA, Vice President
Miller, Pat -	TFACB, Secretary , replaced resigned secretary
Sigethy, Alison -	TFAA, Secretary , replaced resigned secretary
Viehman, Don -	TFAA, President
Wallner, Eric -	TFACB, CEO

CPG Recommendations and Discussion Topics

The CPG report identifies issues that need to be discussed and decisions that need to be made, but doesn't provide a road map on how to achieve the recommendations -- or enough details to determine exactly what form the new governance structure should take. The Work Group's focus has been to fill these voids, outline the options available, and weigh the pros and cons of each option.

What follows are the discussions and options regarding the following subjects:

CPG Recommendation: Establish an independent, self-appointed Board

Work Group Topics:

- Governance
- Transition

CPG Recommendation: Streamline management functions

Work Group Topics:

- Governance
- Communication Protocol
- Marketing Success and Methodology
- Essentials for Artists and Art Business Operations in the Torpedo Factory

CPG Recommendation: Create a unified vision for the TFAC

Work Group Topics:

- Purpose and Vision Statement for the Torpedo Factory Art Center
- Marketing Success and Methodology

CPG Recommendation: Define a new relationship between the city and TFAC

Work Group Topics:

- Financial Stability and Sustainability
- Communication Protocol

While the group did not always agree, the conversations have been thoughtful, respectful, and always seeking consensus. Where consensus was not possible, different points of view were discussed and are presented here along with the strengths and weaknesses of each option.

The discussion here is both general and specific, conceptual and detailed. Readers with greatly differing points of view will find expressions and opinions with which they agree and disagree. Appreciation of the process of our Work Group is one of the successes of the report. We have examined many ideas, their effects, repercussions, and implementation costs. We have tried not

to take anything at face value, nor fail to examine any assumptions. We have some times succeeded and also failed.

The TFAC, like other large art centers, is an extremely complex entity. It involves multiple organizations, and many people with varying needs, desires, and skills. Finding a way forward has not been easy; it has required serious thinking, research, and evidence based conclusions. Quick answers, both historical and also more recent, have often proved erroneous. It is our hope that all individuals involved in making decisions about the TFAC's future, will respect this complexity and engage with it seriously at each stage.

These options are being presented to the TFAA and TFACB Boards, The Art League, and the Alexandria Commission for the Arts for possible feedback. After any feedback, a final report will be prepared and sent to the City Manager.

Purpose and Vision Statement for the Torpedo Factory Art Center

The PURPOSE of an organization is definitive. Knowing the purpose leads, sometimes directly, to formulating a mission statement, choosing a governing structure, setting goals, obtaining specific kinds of resources, determining appropriate expenditures, etc.

The statement of purpose for an art center is frequently more amorphous than for many other kinds of institutions. As a starting point, the meanings of the word “art”, and its often associated word “creativity,” have been debated for centuries, with little consensus or resolution. “Art” is, in fact, often conceived of as a concept with constantly changing and renewing definitions.

To add complexity, the TFAC historically has been home to founding and continuing organizations and individuals that have significant differences in purpose, although this is also matched by significant concurrence and overlapping relationships. Add to the mix the interests of municipal building ownership and community stakeholders and one finds great difficulty in narrowing the range of statements of purpose.

Language also contributes complexity here. Most statements of purpose use words that have multiple and broad meanings, references, and valid interpretations. One can take any single stated purpose and find broad agreement to its validity and appropriateness. Yet taken together with other agreed upon purposes, they can have strongly contradictory and exclusionary consequences.

The Work Group, despite extensive discussion, was unable to agree upon a single, overriding statement of purpose. Similar results might well be expected from any group of genuinely representative stakeholders. Below is an unordered list of purposes discussed and found to be helpful to think about as we worked.

- A visual art center.
- An art center where artists, working in public studios, connect with community visitors to engage, provide education centered on the artists’ techniques, processes, and relationship to art history — making art accessible for everyone.
- A place that inspires creativity.
- A space that provides for varied art forms across boundaries. A visual arts center that explores the cross-pollination of visual arts with other art forms, enhancing the visitor and artist experience through special events and programs.
- A community asset, where a multitude of arts-based programs invite visitors and patrons to experience the gamut of artistic engagement.
- The headquarters of The Art League, a founding member of the Torpedo Factory Art Center, which provides art education classes through its school for individuals of all ages, at all levels of artistic ability, and encourages each individual to find her/his own journey as an artist. It is home to The Art League Gallery, a membership organization, providing exhibition opportunities, networking, and community building among artists and patrons. It is a sponsor of community outreach programs, benefiting the underprivileged and the voices of the unheard.

- A community space where all individuals are welcome to come together and participate in the cultural healing power of art.
- An art center that serves the human good through cultural enrichment.
- A space that enhances the waterfront experience.
- A place that, through the arts, performs as an economic driver to local businesses.
- A place where art is created and shared in a transactional, market sponsored environment of choice, change, commerce, artistic growth and development, and positive human interaction.

Recognizing that effective and meaningful mission and vision statements typically are shorter and more concise, using carefully chosen wording, we would expect a new governing board to agree upon and create its own set of mission and vision statements. After considerable discussion, the Work Group agreed upon the following set of statements as a possibility to consider:

Mission

The unified mission of the Torpedo Factory Art Center is to foster connections among artists and the public that ignite the creative spirit. We provide dynamic interaction and education with the arts through a diverse community of working artists, exhibitions, and programs. We offer art up close, in person, and in progress.

Vision

The Torpedo Factory Art Center is the nucleus for artistic engagement on the waterfront, launching culture, community, and commitment.

Governance

The following models for a new Torpedo Factory Art Center governance board all begin with structure taken from the CPG Report recommendations- approved by the TFACB on March 14, 2016 and the ACA on March 15, 2016. (See Appendices A and C)

The Torpedo Factory Art Center shall be governed by a “nonprofit” and “independent Board of Directors.”

It became evident during the Work Group’s discussions that a new governance structure should contain checks-and-balances to provide a level of trust and security for those who are being governed.

One example of checks-and-balances would be to first qualify slated governing board candidates by those being governed- a process led by a Nomination Committee. The Nomination Committee would source new board candidates from the Community (recognizing the Community contains the entities of the TFAA and TAL). The Nomination Committee would then present a slate of qualified, vetted candidates for the governance board to hopefully choose from upholding the idea of a self-perpetuated board that is still responsible to the greater community- approved by the TFACB on March 14, 2016, and the ACA on March 15, 2016.

The Torpedo Factory Art Center governing body shall be a “self-appointed Board of Directors.”

With this selection process, the goal is to assemble the best governance board possible and ensure the members of the board work well together while connecting with all stakeholders. Note, in the three diagrams below, the composition of the Nomination Committee changes as the composition of the New Board (NB) changes; the compositions of these two groups mirrors each other to provide another level of leadership/stakeholder balance and stability.

The Work Group discussed limiting board members to 3-year terms with a maximum of two consecutive terms.

Another example of checks-and-balances is the establishment of an Advisory Council to offer non-binding assistance to the New Board in matters requiring expertise in excess of the board’s capacity. The Advisory Council is a critical community component in the Torpedo Factory’s new governance structure, and its composition remains the same throughout the different schemes.

The major difference between the Advisory Council and the New Board is the time commitment. The New Board has a much larger time commitment as a position of continuous leadership. The Advisory Council is more flexible and serves on an “as-needed” basis.

The overall balance of the member composition of the Nomination Committee, the Advisory Council, and the New Board is critical to ensuring the best governance and management of the Torpedo Factory Art Center. Success for the Torpedo Factory also means the leadership and governance structure is inclusive of internal and external stakeholders.

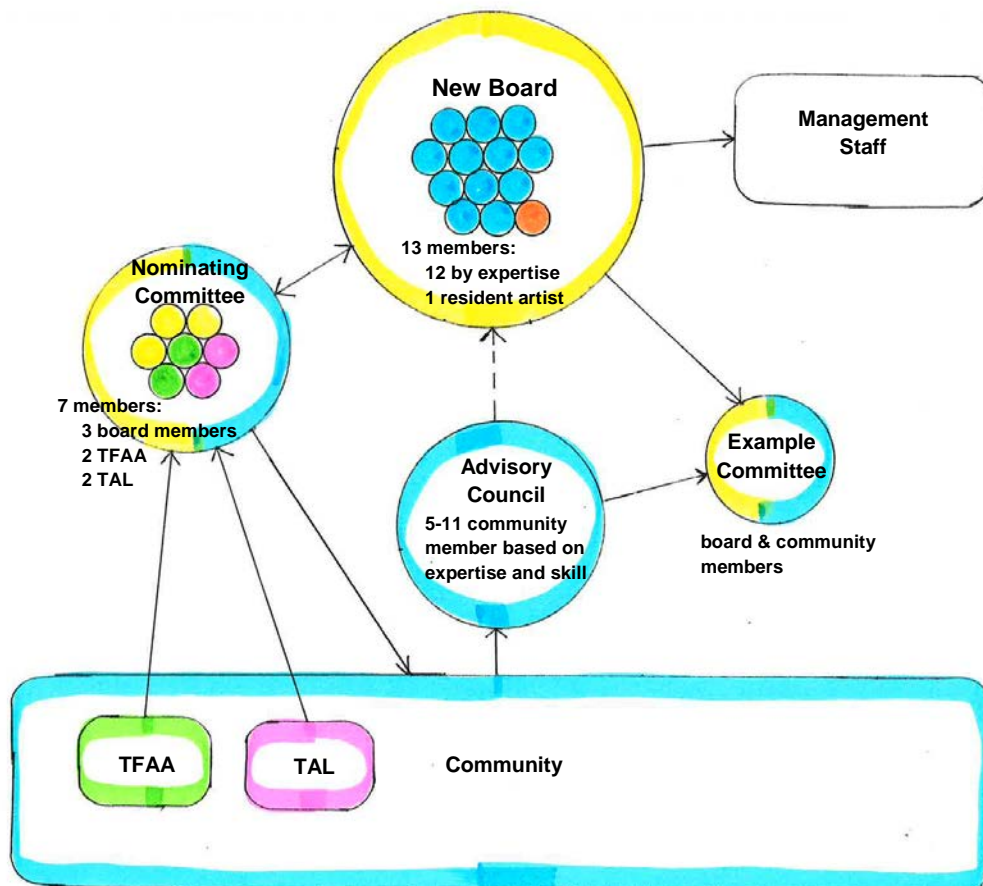
Scheme A - New Board by Expertise

Scheme A best exemplifies a traditional non-profit within the Factory's unique framework. The New Board composition in Scheme A would consist of twelve community members with diverse expertise ideally composed of the finest and most proficient board members that the community could offer regardless of their stakeholder origin. The board seat designated for the resident artist results from the motion passed by the TFACB on March 14, 2016 with clear intent to include resident artists on the New Board.

“Streamline management functions under one nonprofit with a percentage of resident artists designated to the board.”

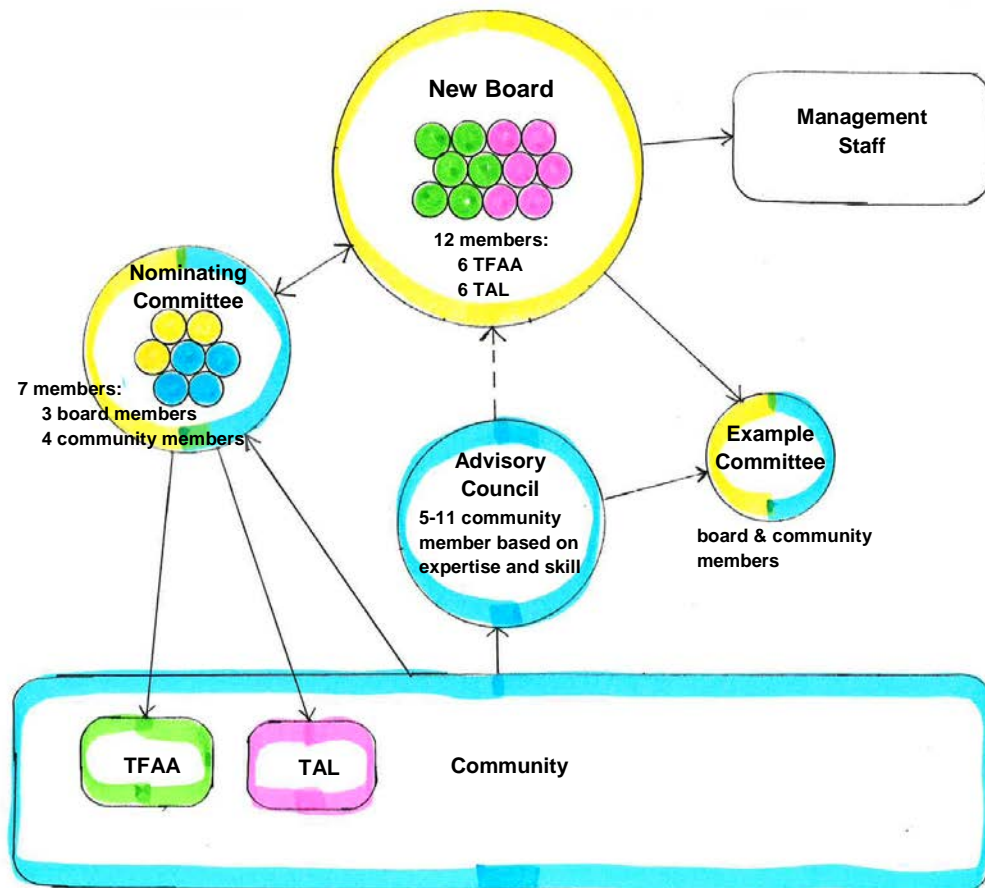
One concern discussed by the Work Group was with a lack of artist representation. This New Board could potentially stifle meaningful artist participation and spirit of residence volunteerism. Optimistically, and for the good of the Torpedo Factory institution, the members of the New Board should put their stakeholders' interests aside when considering what's best for the Art Center.

Note, when considering the initial New Board, one idea was to begin with a balanced board composition as outlined in Scheme C, and then, upon actualization of the New Board, perpetuation would follow the board composition outlined here in Scheme A.



Scheme B - New Board by Internal Stakeholder

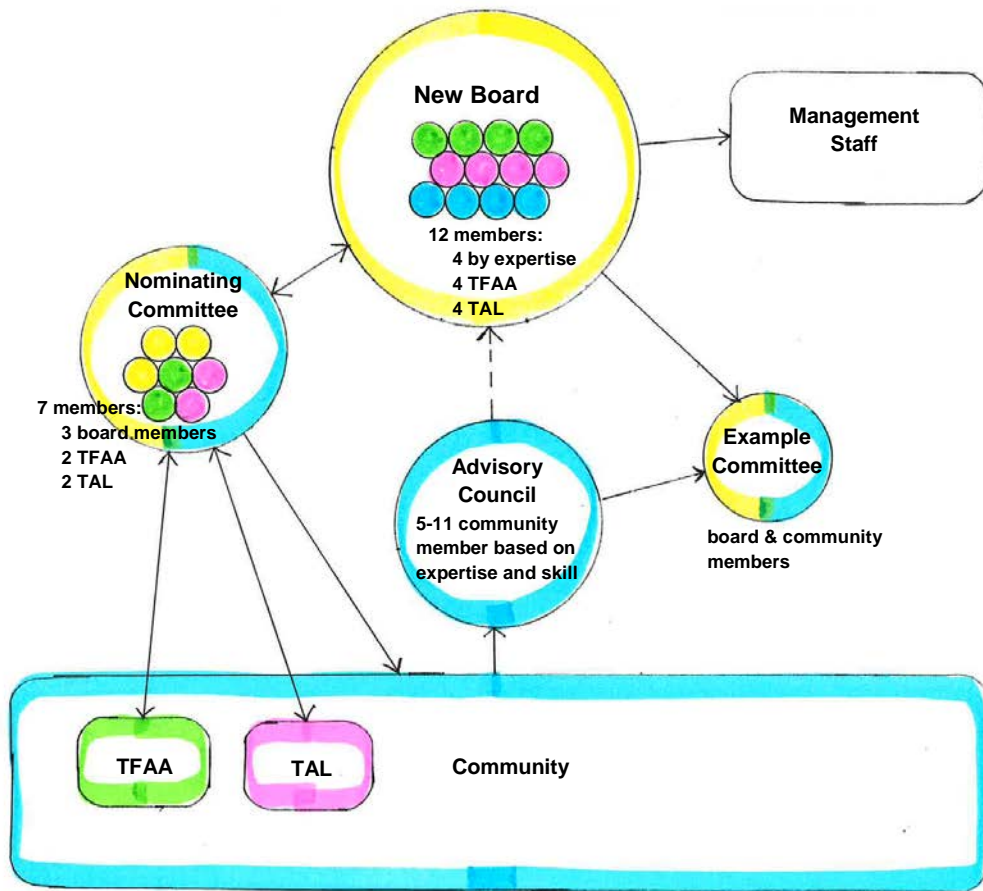
The composition of the New Board in Scheme B best exemplifies the continuation of the tradition of meaningful artist participation and volunteerism. The board is directly responsible for internal Torpedo Factory Art Center operations, and places the emphasis of decisions and responsibility on internal Torpedo Factory Art Center stakeholders illustrating cohesion between the two art stakeholders: the Torpedo Factory Artists' Association and The Art League. However, the New Board composition limits voting community members and other outside leadership; this is not in the spirit of a traditional nonprofit, and potentially could create hardships when fundraising and seeking community support.



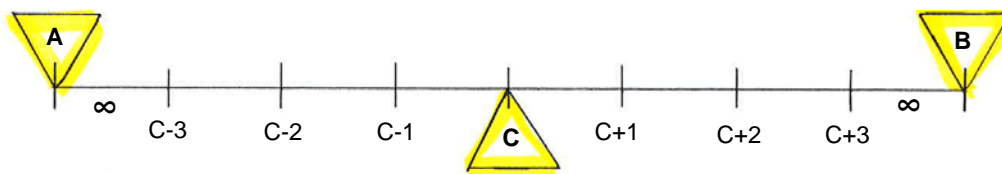
Scheme C - New Board by Hybrid: Expertise and Internal Stakeholders

Scheme C represent a hybrid model falling between Scheme A and Scheme B- a board composition that is balanced above all else. It attempts to ensure adequate voices from all stakeholders. The New Board’s composition models cooperation with the hopes that compromise will rule; it allows for both the continuation of residence volunteerism, as well as the dynamism needed to actively fundraise.

One concern of a hybrid model is the potential inability to reach consensus decisions if board members maintain strict stakeholder interests. The New Board should strive to keep the best interests of the Torpedo Factory Art Center at the forefront of discussions and decisions.



It is noted that Scheme C represent the most balanced hybrid model, but there infinite other hybrid models that are unbalanced with slightly more or slightly less of certain stakeholder groups. Perhaps an unbalanced hybrid model might prove to be an effective governance structure. The diagram below illustrates a range of hybrid models.



Transition

Finding individuals with working knowledge of arts management, community outreach, arts tourism, the economy, non-profits, economic development and fundraising, will be essential for any transition team, just as it will be with the New Board Members. Finding people who are also willing to take on the massive task of moving management of a working art center and city building from one entity to another is an enormous challenge. Any and all people involved will likely already be working in their expertise. It is the hope that this work will give practical, hands-on experience in creating a more dynamic and productive future center.

The type and composition of the transition team might very well be different for different end organizations. A newly formed board made of mostly community and city individuals might be created by a transition team heavy with studio artists. A new board that has heavy representation of the resident stakeholders in the building, the TFAA and the Art League, might use a transition team with an emphasis on community members. There should be a balance between the selection processes and the people involved in each group.

The actual purpose of the transition team has not yet been defined. The team could select the new board, or it could assist the new board during the transition. A clearer intent of this group could be used to better inform the structure of the team.

Outlined below are seven different scenarios that could be utilized to transition the current TFACB board structure to a new board under differing management forms.

Seven Possible Transition Schemes

Scheme A - No Transition Team

In addition to many other important steps toward a future art center, finding individuals uniquely qualified to understand the needs of all stakeholders to populate the future board, will be hard enough without first trying to populate a transition team. The cumbersome, potentially expensive and time-consuming task of establishing a structure for a transition team, using precious resources that could be put directly into the new board seems wasteful. At the very least, some people might better serve on the future new board, which they most likely would not be allowed to do if on the transition team. This recommendation of no transition team would mean the current managers of the facility and resources would continue as the City of Alexandria cultivates the optimal plan and starts to move forward with it.

Pros

- Moves directly forward with establishing the new board
- Keeps momentum and focus on new mission and vision
- Removes the hassle of how to establish the transition team in the first place
- Streamlines resources, especially of qualified people to serve all these positions
- Moves the city out of oversight of daily operations faster, so they can focus on other city responsibilities

Cons

- Daily management remains in the hands of current organizations longer
- More abrupt change over to the new board
- Lack of transition oversight might make for a more rough start for the new board

Scheme B - Transition Team similar in composition and design to the suggested future Nominating Committee

One possible configuration is a mixed group of community, art center and city members in a committee that represents a variety of the stakeholders. Members of the Art League, TFAA, city management and community at large would be put in a pool to create this new group.

The composition might be made up of 3 community members, one art center member, and one city government member, at a ratio of 3-1-1. Likewise, the two latter categories could be bumped up to 2 each, making the group composition 3-2-2.

Pros

- This configuration would better mirror the suggested future Nominating Committee
- Absolutely guarantees all interests would be represented.

Cons

- Finding possible members with the knowledge and willingness to take on the task but are not currently involved in the Factory, might be time-consuming and fruitless
- These individuals might be the very people best tapped to take on future board roles
- Under the pressure of filling a designated seat, one might end up with an unqualified member

Scheme C - Transition team of set number of individuals, with no categories

Due to the current state of partisanship in the TFACB, creating a group from and for very distinct groups creates divisions from the start. The culture of working for only the represented group, not the mission as a whole, is considered part of the difficulty with the current governance structure. By organizing a group of qualified individuals, the goal is to have a good transition team, not one that merely represents already defined interests.

Pros

- Natural selection will allow best candidates to serve
- Everyone is on equal footing
- It is thought that this free and open involvement without specified interest groups makes for a more transparent team

Cons

- The major stakeholder interests might be underrepresented, or not represented at all
- Unqualified participants might make uninformed decisions
- Allows for individuals with outside interests to have more unchecked influence

Scheme D – Scenario suggested by Joint Executive Committees Work Group

Select a group of 5 respected community members agreed upon by stakeholders: AL, TFAA, ACA Office of City Manager, others. Each group selects a pool of 8-12 individuals for its positions. The group of 5 selects board members from a pool based on skill sets, vision, experience, ability to work collectively, understanding of mission and goals, etc.

Pros

- This configuration would better inform the suggested future Nominating Committee
- Absolutely guarantees all interests would be represented

Cons

- Finding possible members with the knowledge and willingness to take on the task but aren't currently involved in the Factory might be time-consuming and fruitless
- These individuals might be the very people best tapped to take on future board roles
- Under the pressure of filling a designated seat, one might end up with an unqualified member

Scheme E - Use the current Joint Executive Committees Work Group as Transition Team

The current Work Group is comprised of the Executive Committees of the TFAA, TFACB and the CEO and President of the Art League.

Pros

- This group has institutional knowledge that can help bridge to the new board
- These are the very individuals that will have to assist the Transition Team and new board in the future
- This group has a history of working together in respectful and meaningful manner

Cons

- Individuals might be short sighted based on the past, not able to push forward into unknown future
- Current biases and divisions might continue to fester, inside or outside this group
- These individuals already have major responsibilities to their organizations, which will need guidance through the next changes at the Factory

Scheme F - From the CPG report

The Cultural Planning Group. (2016) *Torpedo Factory Art Center: Business Analysis and Recommendations*.

“City Council revises the existing resolution establishing the TFACB (June, 2010) to authorize and independent, self-appointing board of directors to oversee and operate the Torpedo Factory Art Center.

The existing TFACB will need to identify a core group of leadership to serve as the independent board officers.

The existing TFACB will need to appoint these individuals who then accept the responsibility for recruiting and establishing the new board.

Revised by-laws will need to be adopted that are appropriate to an independent board.”

It is noted that the report suggests that none of the current TFACB members be on the new board.

Pros

- Current board members might better know what qualities are needed for the transition
- This is already established group, which removes one step from this lengthy process

Cons

- Could replicate the unworkable dynamic currently in place
- Does not guarantee the balance of stakeholders will present
- Future of TFACB unclear at this time

Scheme G - From the Alexandria Commission for the Arts

Memorandum: Alexandria Commission for the Arts to Mark Jinks, City Manager, 15 March 2016.

“The City of Alexandria and the Commission for the Arts, with consultation from the existing TFACB, the Torpedo Factory Artists’ Association (TFAA), The Art League, and the Arts Forum, will identify a core group of leaders to serve as independent transitional board to consist of individuals not affiliated with the Torpedo Factory and its affiliated organizations, other than the President of the Torpedo Factory Artists’ Association and the Executive Director of the Art League, as non-voting ex-officio members, with an emphasis on diversity in background and experience, to include non-profit cultural management, philanthropy and varied arts expertise.

We recommend that the transitional board include the President of the Torpedo Factory Artists’ Association and the Executive Director of the Art League, as non-voting ex-officio members.

The City will appoint these individuals who then accept responsibility for recruiting and establishing the new board.

We do not recommend the current *Process of Transition* as outlined in the CPG report.”

Pros

- Guarantees more clearly identified stakeholders a voice in establishing the new transition team
- This includes major investment of some other arts organizations in the city, possibly leading to better ideas and guidance

Cons

- Does not actually distinguish the transition team or provide the selection criteria, simply the body that picks it
- Still need to figure out the transition team itself
- A group this large and varied could be unwieldy
- The amount of time will take each individual away from their respective organizations, putting an even bigger drain on these groups as a whole
- Does not identify any other possible stakeholders, such as visitors, patrons, smaller community organizations or business liaisons.

Financial Stability and Sustainability

The subject of financial viability was addressed by the Work Group, but not as a specific subject for this report. Rather, as other topics were discussed, financial aspects, ideas, and comments were brought forward as part of the conversation. This section attempts to aggregate these thoughts and combine them with some financial history of the Torpedo Factory.

The financial viability of the TFAC is of paramount importance to any decision process about future art center management and success. However, the term “financial viability” is subject to multiple perspectives, levels of understanding, and methods of analysis. It is very important to note the Work Group did not attempt to agree on any particular perspective. So it is presenting relevant discussion occurring over the course of its deliberations.

The CPG report made claims of management dysfunction, but specifically excluded financial aspects as either cause or as evidence. “The failure is not financial but one caused by several factors...” page 16. The report also did not include serious financial analysis or documented financial evidence of conclusions.

Various forms of management over 42 years have consistently kept reported annual operational costs within the limits of annual revenue. This has been accomplished without incurring any significant short- or long-term commercial debt or other deficit financing. The most difficult recent period was in 2011/2012 when the establishment of the TFACB governing model required funds for start-up costs and cash flow not provided for in regular annual budgeting. This is something to consider in discussion of the new governance entity.

Some of the methods used for maintaining yearly operational viability included:

1. A general attitude of frugality and “doing without”.
2. Reliance on advantageous utility pricing and physical plant repair and replacement pricing through the City of Alexandria that were lower than typical commercially available pricing.
3. A staffing remuneration system that both kept salary and benefit costs lower than ideal levels and also compensated for staffing leadership and labor shortfalls with considerable unremunerated, volunteer contributions from building tenants.
4. The frequently unrecognized and easily ignored financial value of this volunteer workforce, in terms of in-kind service.

Successful financial management also requires taking into account longer term, less tangible costs that sometimes are delineated in strategic budgeting. Some of these costs include: larger equipment upgrades, staff training and expansion, program (product) planning and development, long term marketing, and most notably for the TFAC physical building capital improvement. Any effective new plan or governing entity must address these longer term costs. It often is advisable to find a format to identify longer term costs in regular, annual line-item reporting in order to give them appropriate importance.

With attention given to these longer-term costs, we addressed possible capital improvement funding sources. This included typically implemented “building campaigns,” small percentage matching grants from the City or possible philanthropic sources, and issuance of a small supplemental City Bond to be paid back over time by higher building tenant rent rates. Additional sources may be developed through small business loans or other related funding associated with the future waterfront development.

Current and recent gross revenue sources are identified as follows:

- Lease rents and fees (60-63%);
- Event rentals (18-21%);
- Gift store (13-16%);
- Target Gallery sales (2-4%);
- Philanthropy (4-6%).

For some time, event rentals have provided a significant and marginally increasing portion of TFAC revenue that also makes use of the plant largely in non-public use time slots. It is also recognized that the usage is not directly aligned with the art center’s mission. Replacing non-mission revenue with mission related usage and revenue is considered beneficial, if possible.

Plans for future management may well be judged by the credibility of financial forecasts. Predictions of future revenue increases are vital. Reasonable ways to leverage existing available reserves to increase revenue must be carefully detailed in any new plan.

The Work Group spent considerable time discussing pros and cons of a 501(c)(3) non-profit form of management organization. Although no total consensus was reached, the strongest presumptive argument was put forward that this was the form expected to be most favored by the City Manager’s Office.

1. Those in favor of a non-profit format cite great potential for increased philanthropic revenue from a governing form that separates the TFAC from government control and direction. An independent, self-appointing non-profit form is deemed, in this argument, to be essential for obtaining larger scale foundation grants and private gifting.
2. Others point out the significant scarcity of, high competition for, and irregularity of such revenue. The greatly increased need for time, energy, specifically skilled staff and financial resources dedicated to gradually building a financially successful philanthropy program are cited as significant obstacles. Potential mission creep in the name of attracting funds was also mentioned.
3. Others cite their fears of potentially limiting side conditions and mission changing influence that may accompany large donations, public and/or private.

Some have pointed out the inherent value of the existence of an art center for the City. This is mentioned in the context of enhancing the cultural environment for City residents, increasing property values for a more broadly desirable place to live, attracting tourism, and taking a

leading role in the various aspects of the “creative economy” that is definitively desired by so many communities nationwide, particularly of a size comparable to Alexandria. This reasoning suggests some level of taxpayer funding for institutions that provide valuable services to City residents to accompany internal revenue generation.

Marketing Success and Methodology

To date, the Torpedo Factory Art Center has employed a number of different means of marketing including print, social media, press releases and previews. (See Appendix D for specific information outlining marketing efforts) All of these methods have spurred interest in the TFAC, yet the largest percentage of center users continues to be repeat visitors. A focus of marketing success and methodology might begin with how the center grows its audience while maintaining its current users.

The TFAC's success in retaining local, national and international visitors is due to the following:

- The diversity of artist media, artistic expression, and artwork quality and pricing.
- The diverse curriculum The Art League offers continues to attract local artists and art enthusiasts from beginner to professional.
- The community programs (Art Safari, the Holiday Party, Second Thursdays and the King Street Art Fair) open the center to community participation in hands-on art engagement.
- The extensive use of social media in promoting after hours lectures and music events have drawn a new and growing community audience.
- The Target Gallery has attracted national and international audiences and participants through its robust exhibition schedule and combination of curated and juried shows. Target Gallery exhibits have been featured positively in print and digital reviews, thereby attracting new art enthusiasts.

To maintain existing building users, the TFAC brand identity must remain cohesive and professional. It is vitally important that all forms of marketing communication retain a very high graphic and verbal quality reflective of the TFAC's reputation for excellence.

Audience Retention and Growth

A 2010 City sponsored study determined that the TFAC contributes \$16.2 million dollars by its 500,000 annual visitors and artists. Currently, the TFAC's audience is predominantly individuals living outside Alexandria. However, over twenty percent of Alexandria's citizens (extrapolated from the Randi Korn Associates audience study 2014) use the facility, matching art visitation statistics by the NEA. The TFAC cannot be supported by Alexandria residents alone. In becoming more and more community focused there is a Work Group concern that metro-area, national and international visitors will diminish thereby having a ripple effect on Old Town merchants and restaurants.

Suggestions to grow an audience will largely depend on the new board's mission, budget, service area, and target demographics. Suggestions may include:

- Expanding 'off' hours usage of the factory as a meeting center for complementary community groups
- Offering a wider range of programs centered on both professional development for artists and arts education for community members
- Upgrading the advertising efforts to include consistent multi-media ad campaigns
- Search engine optimization using Google Analytics to increase the TFAC Klout score

- An increased focus on gaining editorial stories in arts related blogs, journals, and magazines pitching specific newsworthy stories
- Launching an Art Buyer Ad Campaign to address strengthening ties to the art world by running a series of ads in targeted art consumer media, juried craft show programs widespread initiatives (i.e. American Craft Week, FotoWeekDC, etc.) and arts publications with audiences and/or special issues devoted to the arts (i.e. American Style, ASID, DC Metro, Elan, Home & Design, etc.) In addition, a special outreach effort to arts-based bloggers will be launched.

Communication Protocol

One of the current and most prolific challenges facing the Torpedo Factory Art Center is good, consistent, clearly expressed, and widely circulated communication. Communication can be messy; it requires a balance of timeliness, aimed outreach, message content, and authority approval. The weight of these factors changes depending on the intent of the communication. For example, an operations management or cross-organizational communication may have a very different mode than a regional marketing or community outreach communication. Communication is a broad subject within the TFAC, but there is a need for improved and increased communication in all directions that “all” can agree to- “all” defined as the City, the new governance board, staff, stakeholder leadership, and the community.

The success of good communication depends on shared responsibility, and establishing a commitment to good communication requires willing participation from all, with a quality connection between staff and artists being essential. A workshop, led by the CEO, to design a communication protocol should aim to create a consensus of good communication for all internal stakeholders: TFAA, TAL, and the new governance board.

Such a workshop can also focus on establishing good communication with external stakeholders, such as visitors, the community, and City governance representatives. Community outreach can be developed to channel and disseminate TFAC generated information. This public channel can work in both directions, providing avenues for feedback into the Factory. The accessibility of communication is key.

Essentials for Artists and Art Business Operations in the Torpedo Factory

The Work Group delved into the subject of how artists engage and work in the art center and how to determine a structure for managing issues directly related to artists. Just as the discussions on other topics revealed the complexities of the TFAC, the subject of artist issues was, and is, as complicated. Initially attempting to define and separate out artist issues and responsibilities from other pieces of how the TFAC operates was difficult.

Three initial attempts to flesh out a solution to artist issues:

1. One approach was to list current contributions provided on a volunteer basis by the TFAC's artist population.
2. Another approach was to try to define the parts of TFAC operations that most suited typical skill sets of many artists.
3. The last was to define those parts of TFAC operations that artists felt most strongly should be the purview of the artist population.

Taking a broader view of what "artist" and "art" in the TFAC actually encompass, we must look at who actively engages in the art center to have a clearer understanding of the TFAC. Separating out the perception of what are issues for only resident artists, we need to be inclusive of ALL ARTISTS who are involved here: resident artists, visiting artists, associate artists, Art League School students, Art League Gallery members, and staff working in the TFAC in administrative capacities. All issues of the institution are artist issues; no aspect of the art center is outside of the concern and responsibility of artists or the art institutions that operate in the building. All artists /art business operations must have a voice in decision making for how the building is managed.

In evaluating issues directly affecting all artists and art business operations in the TFAC, the Work Group recognizes that those of greatest importance are:

1. Maintaining the quality of the artist population in the art center.
2. Obtaining and retaining studios and working conditions that support all artists at work in the most optimal way that induces creativity and productivity.
3. Include the considerations of the broad community of artists working in the building.
4. Fostering a spirited and respectful community of practicing artists who are supportive of fellow artists, visitors, and Torpedo Factory colleagues.
5. Marketing artists and the art center.
6. Maintaining the quality of the Torpedo Factory Artist brand
7. Affordability

Simply put, what affects the artists affects the building, and what happens in the building and how it is managed, affects ALL artists and ALL operations.

Recognizing that the resident artist population requires specialized knowledge and experience in managing resident artist operations, the Work Group acknowledges that the TFAA's experience and history in the building of overseeing in-house operations makes it uniquely qualified to continue in this capacity into the future. Remaining an independent organization, TFAA would directly represent and manage resident artists' services. This would include the selection of artists, studio placement, marketing, insurance, and business needs. The TFAA could function as a manager of the resident artist population and work hand-in-glove with the new Board, seeking to find a practical and productive method for dealing with in-house issues.

Closing

This report is intended as a reference and resource for Torpedo Factory Art Center planners and leaders as they consider what needs to be done to ensure stability and internal stakeholder buy-in while constructing a pragmatic route to a visual art center that is thriving, relevant, sustainable, and indispensable in the future Alexandria.

This report reflects the precept for the Work Group's discussion: the CPG Recommendations. This report is not intended to be a broad survey of the art center's achievements and failures or to be a critique or endorsement of the CPG Recommendations. Instead, the workgroup focused on the examination of existing programs and policies, cross-organizational relationships, operating conditions, and the identification of emerging issues and challenges as directly related to the potential implementation of the CPG recommendations.

The Work Group recognizes the critical role that the Torpedo Factory Art Center plays in strengthening Alexandria's cultural infrastructure and improving citizen access to visual art, artists, and arts education. In keeping with this, the report is meant to re-emphasize the complexity of the tenant community functions/roles and the need for coordinated and thoughtful strategies to successfully engage internal and external audiences from our cultural community and beyond.

Appendix A

Motions by Torpedo Factory Art Center Board

Torpedo Factory Art Center Board Meeting, Wednesday, December 16, 2015

MOTION: Eric Nelson made a motion for the TFACB executive committee to meet with the TFAA executive committee to discuss how to move forward on these recommendations. Penny Barringer seconded the motion. Motion passed with 8 for, 1 against and 3 abstaining.

Torpedo Factory Art Center Board Meeting, Monday, March 14, 2016

MOTION: Motion by Mike Detomo to support the recommendation to establish an independent, self-appointed Board of Directors. Seconded by Eric Nelson. Ann Patterson was asked if she wanted to amend this motion – she said she was not in a rush. Penny Barringer called the question. With 8 votes YES and 5 votes NO, the motion passed.

MOTION: Motion by Mike Detomo to support the recommendation to streamline the management functions under one nonprofit. Seconded by Patricia Washington. Eric Nelson offered a friendly amendment so the motion reads: Streamline management functions under one nonprofit with a percentage of resident artists designated to the board. Penny Barringer called the question. With 6 votes YES and 5 votes NO with 2 abstentions, the motion passed.

MOTION: Motion by Penny Barringer to support the recommendation to create a compelling unified vision for the Torpedo Factory. With 12 votes YES and 0 votes NO, with one abstention, the motion passed.

MOTION: Motion by Mike Detomo to support the recommendation to define a new relationship between the City and the TFAC. Seconded by Eric Nelson. Maria Hopper made a friendly amendment to add the word Board.

Motion: To support the recommendation to define a new relationship between the City and the Board of TFAC. With 7 votes YES and 6 votes NO, with no abstentions, the motion passed.

MOTION: Motion was made by Marian Van Landing that The Joint Executive Committees of TFAA and TFACB and the Art League continue to work together on the recommendations. Seconded by Lisa Schumaier. Mike Detomo said he will be offering a timeline to this group on Thursday. Penny Barringer called the question. With 7 votes YES and 1 vote NO with 5 abstentions, the motion passed.

MOTION: Motion made by Patricia Washington that we accept the analysis and recommendations of the Torpedo Factory Art Center's Business Analysis and Recommendations as revised January 31, 2016 from the Cultural Planning Group. Seconded by Maria Hopper. With 7 votes YES and 6 votes NO, the motion passed.

Appendix B

Torpedo Factory Artists' Association Board Meeting, Wednesday, January 13, 2016

The TFAA Board of Directors, in a special session of its regular monthly Board meeting, approved sending the four members of the TFAA Executive Committee to continuing meetings with representatives of the TFACB and TAL for the purpose of attempting to discuss and create a plan for the future management and leadership of the TFAC. It was also agreed and specified that TFAA participation did not in any way represent acceptance or endorsement of the Report of the Cultural Planning Group or the recommendations included in that Report. The vote was unanimous.

Appendix C

Alexandria Commission for the Arts, Tuesday, March 15, 2016

MOTION: To support the continuing meetings being held by the Executive Committees of the TFACB, the TFAA, and The Art League to work together to provide solutions for the matters discussed regarding the Torpedo Factory Art Center. Motion made by Susie Cohen. Motion passed with 13 for, 2 against and 0 abstaining.

Appendix D

Current Marketing Data

Listed below is specific information outlining marketing efforts the Torpedo Factory Art Center has employed to date:

Branding

The Torpedo Factory, in 2014, launched a new brand identity including an updated logo and website. The new logo is prominently featured in all advertising to attract new attention and audiences. The editorial focus in all collateral has shifted away from photos of artwork and the building to images emphasizing people, process, and engagement – the heart of what we do: art, in person and in progress.

Advertising

Utilizing advertising to attract visitors, advertising has grown from a circulation of 800,000 to more than 9 million people. : Advertising has included paid print ads in regional visitor's guides, magazines, and metro area newspapers (e.g. Alexandria Times, Blade, Gazette, Metro Weekly, Patch, etc.) as well as online advertising (e.g. Facebook, Google Adwords, etc.). TFAC ads have been in playbills at performing arts venues in Northern Virginia, reaching people who have a history of supporting the arts at Wolf Trap, the Signature Theatre, the Alexandria Symphony, The Little Theater of Alexandria, the Symphony Orchestra of Northern Virginia, and Metro Stage, a total of over 600,000 views at 211 events.

Advertising reaches three main groups: local Alexandria residents, DMV metro region art goers, and national and international tourists. Print and online ad buys targeting tourists include

ACVA website, ACVA Visitor's Guide, ACVA Visitors Map, and Where Magazine (in-room hotel magazine). DMV metro art goers will be reached through Washingtonian magazine, Washington City Paper, the Northern Virginia Scout Guide, Bright Young Things, East City Art and Culture Capital website. Locals will be targeted in Alexandria Gazette, Alexandria Times, Del Rey and Old Town Patch

Marketing materials are distributed both within the Art Center and community. Marketing materials include TFAC brochures (off-site distribution) and a visitor's guide, display case/main entrance posters and signage, and event postcards.

Communications & PR

An active distribution list of over 200 contacts is maintained for media relations purposes, segmented by lead time; focus (calendar entries, arts exhibitions, family events, etc.); and media type (print, radio, television, online, etc.). More than 45 media releases are sent per year. Additionally, an e-newsletter is distributed to approximately 10,000 subscribers, and a robust social media is on multiple channels.

Outreach Events

Ongoing public events engage the Alexandria community and visitors. They include the monthly Second Thursday Art Nights; and the annual Art Safari, King Street Arts Festival, and Holiday Open House events. Each of these is designed to attract targeted audiences into the Art Center by providing opportunities for active arts engagement.

Target Gallery Marketing

The Target Gallery has a unique opportunity to reach out to national and international audiences through its robust exhibition schedule and curated shows. The free publicity the gallery receives for exhibitions and programs has a paid ad equivalency value exceeding \$50,000 annually.

Specific marketing measures:

Advertising and Publicity

Total Print Reach = 7,566,000

2016 Total Expected Spend: \$30,000

2015 Media Hits

- 659 Hits
- 1,049,929,931 Unique Monthly Visitors via Web
- 48,378,027 Printed Circulation
- 50,044,700 Broadcast Reach

Marketing Materials and Distribution

Rack Card Brochure Quantity: 10,000

TFAC Visitor's Guide Quantity: 30,000

Onsite Poster Impressions: 500,000

2016 Total Expected Spend: \$3,500
2016 Distribution costs: \$1,000
2016 Visitor's Guide Co-op Funds: \$4,000

Social Media Strategy

Total Facebook Fans: 13,863

Total Twitter Followers: 1,927

Appendix E - Feedback