

AGENDA ITEM SUMMARY

City Council



STAFF

Jack Rogers, Lincoln Center Director
Eileen May, Director, Cultural Services

SUBJECT

Second Reading of Ordinance No. 104, 2024, Appropriating Unanticipated Revenue in the Cultural Services and Facilities Fund for Artist and Musicians' Fees for Shows at the Lincoln Center.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on July 16, 2024, appropriates the amount of \$644,000 in unanticipated revenue in 2024 for expenses related to Artists and Musicians Fees for LC Live shows at the Lincoln Center.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

BACKGROUND / DISCUSSION

The Lincoln Center expense budget for Artists, Musicians and Speakers needs to be increased by \$644,000 in 2024 to address the higher costs due to additional LC Live performances and the Lincoln Center bringing national show tour companies to Fort Collins.

The Lincoln Center (LC) is the largest presenter of performing arts in the Mountain West outside of metro Denver and the home to over 35 local creative businesses. In 2023, over 192,000 visitors participated in over 1,000 events at LC. The 2023-2024 LC LIVE season (events presented or produced by The Lincoln Center/City of Fort Collins) sold nearly 42,000 tickets and generated over \$2.0 million in ticket sales. LC LIVE is The Lincoln Center's single greatest marketing tool to attract new audiences. Audience surveys show that first-time attendees driven to LC by the National and International artists on the LC LIVE series go on to support local businesses like the Fort Collins Symphony, or to rent the facility for their own events.

We are requesting additional budget for the expenses related to LC live show promoters and artists. In 2024, the Lincoln Center brought major touring shows to Fort Collins, including Book of Mormon, Come From Away, and Annie. In addition, since the adoption of the 2024 budget, we added the Live at The Gardens concert series that the LC manages. The budget for Artist Fees paid for shows is not sufficient to cover the expenses related to the shows in 2024. All the expense activity is created by the initial investment into the Artists, Musicians, and Speakers, a line item that historically generates a 165% Return on Investment (ROI) through ticket sales. In addition to the LC Live Series paying for itself, it generates an average overall profit margin of 12%.

The budget for this expense has been insufficient for the last several years (2020 and 2021 not included due to COVID impact).

	2019	2023	2024 (through 6/24/2024)
Actual	1,112,248	1,167,794	1,070,016
Budget	953,025	884,704	906,821
Variance	(159,223)	(283,090)	(163,195)

To address this issue going forward, the Lincoln Center has submitted an Enhancement Offer as part of 2025-2026 Budgeting for Outcomes (BFO) to increase the budget baseline for this expense. To continue to attract the National and International touring artists of the caliber the community has grown to expect, this expense item needs to increase and ultimately become part of the baseline budget for the Lincoln Center. If the offer is not funded staff will need to go to Council annually for mid-cycle additional appropriations.

CITY FINANCIAL IMPACTS

If adopted, this Ordinance will appropriate \$644,000 in unanticipated revenue generated by shows at the Lincoln Center for a net zero impact to the Cultural Services financials. This requires no subsidy from the General Fund.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

First Reading attachments not included.

- 1. Ordinance for Consideration