OVERVIEW

Why Invest in Pre-Project Planning?
• Helps make informed decisions
• Cultivates support
• Saves money
• Increases chance of long-term success
• Helps balance program with financial and organizational capacity

Risks in Cutting Corners in Pre-Project Planning
• Lack of compelling vision
• Lack of stakeholder buy-in
• Little or no momentum in support and investment
• Lack of framework for key decisions
• Conflicting ideas among development team members
• Potential for major mistakes and miscalculations

Most Common Failures in Pre-Project Planning
• Failure to take into account mission and market
• Narrow focus on site and real estate
• Underestimation of time and sophistication required
• Proponents plans are greater than their organizational capacity
• Inadequate use of qualified planning professionals

Elements of Pre-Project Planning
• Vision Development
• Stakeholder Engagement and Partnership Development
• Development Team Assembly
• Analysis and Planning

VISION

Developing Project Vision Should be a Process of Discovery
How can your project:
• Serve your internal needs and aspirations?
• Build on the cultural assets and creative resources of your community
• Serve a broader range of needs, constituencies and interests?
• Be an example to other projects?
• Have multi-dimensional impact?

A Strong Shared Vision is Key to Attracting Interest and Investment
• Engage project leadership
• Foster a sense of collective ownership
• Create a reason for donors and sponsors to participate
• Garner community support
• Build project momentum
Project Pre-Planning – Notes from Toronto Artscape Presentation*

Start with an Understanding of the Imperatives Driving the Project
• A building in search of a home
• An organization in search of a building
• Tenants interested in co-location and incubation
• A space crisis in the arts community
• A development in need of an arts component

Develop a Clear Consensus of Your Internal Goals
• Needs
• Strengths
• Weaknesses
• Opportunities
• Threats
• Aspirations
• Relationship to capacity

Develop a Deep Understanding of the Cultural Assets and Creative Resources You Can Build On
• Who are the creative people, organizations, companies and other resources in the neighbourhood?
• How do they connect with each other?
• What are the creative space issues, challenges and opportunities?
• How can your project engage the creative assets and cultural resources already embedded in the community?

Figure Out Where Your Interests Intersect with Others
• Creative economy development
• Neighbourhood improvement
• Cultural tourism promotion
• Community economic development
• Employment growth strategies
• Real estate development

Define the Principles and Values that Will Guide the Project
• Project will operate on a cost-recovery basis once operational
• Project will be developed in an environmentally friendly way
• Project will be a model of heritage preservation
• Project will be a new model of multi-tenant centre development
• Project will be sensitive to neighbourhood concerns about parking, traffic and noise

Weave these elements together into a project vision and narrative
• What are the imperatives driving the project?
• How can the project address your needs and aspirations?
• How will the project leverage local assets and resources?
• What are the needs and interests the project will serve and what impact will it have?
• What are the principles and values that will guide the project?
STAKEHOLDER ENGAGEMENT

Why Engage Stakeholders?
• You are building the project with other people’s money
• Create shared vision
• Add dimension and dynamism to your project
• Build support and momentum
• Find solutions to challenges
• Set the stage for broader and deeper engagement

Who Are the Stakeholders?
• Your city
• Audience members
• Local residents
• Business Improvement Areas
• Neighbourhood associations
• Area schools
• Funders, donors, and sponsors
• Development partners
• Tenants

What Questions does a Stakeholder Relations Strategy Address?
• What are your objectives in managing relations with stakeholders?
• How and when you plan to communicate with each stakeholder group?
• Who will coordinate this activity?
• How will community stewardship be built into your project governance?

Why Enter into Partnerships?
• Sharing risk and responsibility
• Building confidence
• Creating a sense of ownership
• Brokering diverse interests
• Attracting resources
• Building capacity

Types of Partnerships
• Capital project consortia and joint ventures
• Public/private partnerships
• Partnerships with private developers
• Partnerships with sub-tenants
• Partnerships with others who deliver programming
• Partnerships with community associations
• Partnerships with funders, donors and sponsors

Nature of Partnerships
• Formal
  o Shared risk and responsibility

*Transcribed from a workshop presented by Artscape Toronto Inc in Calgary, Spring 2009. Do not distribute without permission from Linda Huffman, Arts Habitat Association - lhuffman@artshab.com
Project Pre-Planning – Notes from Toronto Artscape Presentation*

- Funders
  - Informal
    - Supporters and enablers

Meeting and Managing Expectations
- Clarity of vision, mission, and values is key
- Define roles and responsibilities
- Put it on paper
- Communicate regularly
- Build care and development of partnerships into governance

THE DEVELOPMENT TEAM

Who’s on the Development Team?
- Champions: community leaders, people with influence
- Visionaries: dreamers and risk-takers
- Activists: people with energy and enthusiasm
- Enablers: developers, administrators, bean counters
- Facilitators: mediators and helpers

Role of the Development Team
Oversight of:
- Pre-project planning
- Design
- Stakeholder relations
- Budget
- Schedule
- Consultants and sub-consultants
- Contractor
- Transition to operations

PLANNING AND ANALYSIS

Purpose of Feasibility Studies
- Provide a planning process to articulate project vision
- Articulate the project context
- Test project assumptions
- Identify the scope of work
- Estimate capital and operating budgets
- Outline planning framework
- Determine whether project is feasible
- Build confidence in the project internally and externally

Types of Feasibility Studies
- Preliminary feasibility study
- Architectural feasibility study

*Transcribed from a workshop presented by Artscape Toronto Inc in Calgary, Spring 2009. Do not distribute without permission from Linda Huffman, Arts Habitat Association - lhuffman@artshab.com
Project Pre-Planning – Notes from Toronto Artscape Presentation*

- Project feasibility analysis
- Fund raising feasibility study

When are Feasibility Studies Not Required?
- Funders do not require them
- Projects are small and straightforward
- Detailed business plans can serve as a substitute
- Proponent has the internal capacity to analyze feasibility

What is Included in a Feasibility Study?
- Project background
- Market needs analysis
- Program analysis
- Design analysis
- Resource analysis
- Implementation
- Statement of viability

Budgeting Tip: Plan for Escalation in Expenses
- Budgets rise as planning becomes more detailed
- Prices usually go up over time
- Project scope usually goes up rather than down
- Renovation projects are full of unpredictable surprises
- Grant requests are usually submitted at an early stage of planning

Budget Tip: Create Multiple Contingencies and Back-Up Plans
- Construction contingency
- Design contingency
- Soft cost contingency
- Possible reductions in scope or finishes
- Ability to carry more financing if required
- Conservative fund raising targets

Budget Tip: Build Organizational Costs into Capital Budgets
- Project management
- Stakeholder relations
- Fund raising
- Communications
- Project management fee
- Administrative overhead
- Costs associated with transition to operations

What is the Purpose of a Business Plan?
- Creates a framework for project implementation
- Synthesizes all elements of project planning
- Sets objectives, targets, budgets, and timelines
- Defines roles and responsibilities
- Outlines risk mitigation strategies

*Transcribed from a workshop presented by Artscape Toronto Inc in Calgary, Spring 2009. Do not distribute without permission from Linda Huffman, Arts Habitat Association - lhuffman@artshab.com
Project Pre-Planning – Notes from Toronto Artscape Presentation*

- Keeps development team on the same page and builds confidence in project among external stakeholders

What should a Business Plan Include?
- Project description and background
- Goals, assumptions, and principles
- Building program, design, and scope of work
- Capital and operating budgets
- Analysis of funding sources
- Cash-flow and sensitivity analysis
- Project impact analysis
- Project schedule

Time Required for Pre-Project Planning
- Vision development process: 3 – 6 mo.
- Preliminary feasibility study: 3 – 6 mo.
- Architectural feasibility study: 3 – 6 mo.
- Project feasibility study: 6 – 9 mo.
- Business plan development: 3 – 6 mo.
- Overall: 6 mo – 2 years

Resources Required for Pre-Project Planning
- Vision development process $15 – 30K
- Preliminary feasibility study $30 – 60K
- Project feasibility study $60 – 90K
- Business plan development $25 – 50K
- Transition Planning $25 – 50K
- Overall $110 – 250K

THE KEYS TO SUCCESS

Vision
Engagement
Collaboration
Development Team
Planning and Analysis

UNSTOPPABLE MOMENTUM