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The Legacy Center of Johns Creek

Financial Feasibility Study: Findings and Recommendations

A Brief Summary

This study, a financial feasibility analysis conducted by Convergent Nonprofit Solutions, and the three preceding related studies, present a clear mandate of need in Johns Creek: a need for a multi-discipline cultural arts home for our local burgeoning arts community, a need for a community gathering place, a need for an additional significant economic driver to stimulate and expand local business and a much-needed anchor for a Johns Creek town center.

Executive Summary

There is currently not enough support to launch a successful financial campaign for *privately* funding the Legacy Center project. For the project to succeed the City of Johns Creek must take the lead and provide significant financial resources.

- Interviewees in this study are nearly unanimous in their belief that the arts are an essential component of Johns Creek's quality of life.
- The vast majority of interviewees believe that a public-private funding partnership is necessary.
- The most important elements in the proposed Legacy Center are the space for the Johns Creek Arts Center and the theater with seating for 700+ patrons and appropriate amenities.
- The Chinese-American and Indian-American dance academies believe the recommended theater size is approximately half of what is needed.
- The lack of a significant corporate presence in the city means the typical resources donated for this kind of project would be scarce, placing a disproportionate financial burden on private citizens to fund a capital campaign.

Background and Methodology

An extensive study of the activities and needs of the cultural arts community by a Cultural Arts Alliance at Johns Creek volunteer sub-committee was concluded in July of 2017. This was followed by a professional *needs assessment* conducted by Webb Management Services. Among other findings, Webb cited the following elements as necessary for a successful campaign;

- The City of Johns Creek is a partner in the project.
- Campaign leadership includes representatives of the Asian and Southeast Asian communities.
- There is a robust corporate component that engages local companies.
- The Johns Creek Arts Center is part of the project as a successful and growing arts education organization.

The Fulton County Board of Commissioners provided significant funding for a capital campaign feasibility study in their 2019 budget.

*The Steering Committee that worked with Webb Management was expanded from five to fifteen members in March 2019 and became the **Legacy Center Task Force**, currently with 20 members.*

How the Study was Compiled

In July 2019 the Task Force contracted with Convergent Nonprofit Solutions to conduct a feasibility study for a capital campaign. Convergent and Task Force teams developed a draft *prospectus* describing the project and an Interview Request Letter. Lists of potential interviewees were compiled by the Task Force and Convergent. In addition to individuals recommended by the Task Force, additional names were found by searching several national wealth screening data bases. The result was a list of 185 potential interviewees.

Between November 18, 2019, and January 10, 2020, Convergent's team conducted 48 confidential interviews with 50 individuals. Each interviewee was asked to complete a questionnaire and answer a series of questions.

About the Interviews

Eleven "potential investor" categories were identified. The largest categories were Government, 22%; Nonprofit, 15%; and Healthcare, 7%. The category "other" represented 33% of the interviewees, made up largely of retirees.

Convergent's Fundraising Fundamental Principles

- Compelling need and sense of urgency
- Effective plan to meet the need
- Organizational effectiveness and fundraising strength
- The constituency has adequate financial resources
- Potential campaign leaders available, interested, and committed

Detailed Summary and Analysis

Interviewees' responses to 17 questions were collected and analyzed (pp. 9-38). The format of the bulk of the report consists of: **question, analysis and quotes from interviewees**. The report contains a total of 258 quotes expressing a wide range of opinions. While a vast majority of interviewees support the concept of the Legacy Center and rank it as a high civic priority, most agree that the City of Johns Creek must make a substantial financial investment in order for the project to succeed.

Recommendations

Using Convergent's Fundraising Fundamental Principles as a measure of potential for success, the study concludes that none of the five principles are present at a high enough level to recommend that a capital campaign be launched at this time.

Favorable Factors

- Healthy level of support.
- Nearly unanimous agreement among interviewees that the Legacy Center, built with a public/private partnership would become an important "anchor" in the future town center.

The Convergent team presented the final report to the Legacy Center Task Force on February 18. Unfortunately, the timing of the COVID-19 pandemic prevented the Task Force from conducting an extensive review in a timely manner. This brief summary and the full text of the Analysis is available on our website, www.jclegacyarts.org.
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