



## Frequently Asked Questions About the Sale of the Munroe School

November 3, 2009



Munroe School, 1904

### **What is Munroe Center for the Arts?**

Munroe Center for the Arts (MCA) is the 501(c)(3) non-profit umbrella organization that manages the historic Munroe School building arts education center. Under its roof are seven schools, ten studio artists, and three gallery spaces. MCA is managed by a board of nine volunteer directors, all Lexingtonians, and a staff of three.

### **How does the town benefit by selling the Munroe School? How does MCA benefit?**

The town benefits by passing on the costs of capital maintenance from taxpayers to users and supporters of the arts center. MCA benefits because only ownership enables it to finance capital maintenance, through grants and bank loans, and generate a robust fund-raising campaign. Donors and grant makers give more for capital repairs to organizations that own their buildings. Benefits accruing to both entities: MCA will have a permanent home and the town will have permanent access to local, high-caliber arts education and arts events.

### **What is MCA offering in exchange for the Munroe School?**

MCA is offering \$1,000 and a commitment to spend at least \$1 million in capital repairs. MCA's capital plans call for investing \$1,218,097 within the first five years. By selling the building to MCA at this point in time, the town of Lexington saves at least \$2.3 million dollars in capital expenditures.

### **Why is MCA's capital plan 25% cheaper than the town's?**

Like the Town's plan (\$2.3 million), MCA's plan (\$1.8 million) addresses all handicapped access and safety systems (including an elevator); driveway/parking lot regrading and resurfacing; a new building-wide heating system; new doors and roof; 25% contingency, and inflation cost. The MCA plan adds 7% for administrative costs; installation of rooftop solar cells; insulation augmentation, and completely new building-wide wiring. Savings occur through lower contractor estimates for windows and exterior walls; lower allocation for ventilation/AC; and savings on inflation costs because of an accelerated capital maintenance schedule. As a municipality, moreover, the town must follow strict procurement requirements. Private entities such as MCA can pay less for the same work; MCA can receive in-kind and donated work and materials, is able to more flexibly negotiate contracts, shop, bid, schedule, and document than government entities. MCA's capital planning team includes Tom Griffiths, former Chair of the School and Capital Expenditures Committees and current member of the Ad-Hoc School Facilities Committee; as well as two architects, Bob Adams, AIA, and William Turville, AIA.

### **Given the difficulties of predicting the success of fundraising and grant writing, is there reasonable expectation that MCA can raise the necessary money?**

Multiple factors suggest that MCA's capital campaign fundraising targets are sound. For **FUNDRAISING**, these include: the philanthropic capacity of Lexingtonians; widespread support for the arts and the quality of MCA's programs; results of MCA's annual giving drives in '08 and '09; MCA's ability to raise, in spite of the recession over the four months ending November 2, \$95,000 in pledges contingent on purchase of the Munroe School. The **GRANTS** expectations are reasonable, given the community-centered, historic preservation, safety, and energy-efficiency orientations of the capital improvements. A review of past history of similar grants for similar entities indicates that our projections are reasonable and conservative. MCA also anticipates acquiring

**LOANS** from community banks; Munroe affiliates have agreed to co-sign specifically purposed loans for capital repairs, if necessary. The projected OPERATING RESERVE provides additional funding. MCA's capital finance team includes Merrill Meadow, Senior Development Officer at Harvard University; Dan Fenn, Lexington Education Foundation Founder, Cary Memorial Library Fundraising Drive Co-VP, and former Selectman; and Jessie Foster, former president of Lexington Symphony, and current Committee Chair of the Lexington Field and Garden Club.

### **What sectors of the Lexington population does MCA serve?**

MCA serves all ages, from toddlers to those in their 80's. It collaborates with the Lexington Council on Aging and the Senior Center to provide classes for seniors, and offers an expressive arts program for children who struggle with peer relationships and social skills.

MCA collaborates with the Lexington Public Schools on an expressive arts program for children who need help with social cognition skills. MCA is planning to expand the expressive program next year to include teens. An upcoming project is a Teen Arts Collaborative, for teens to create public art and create their own art journal.

### **What pro bono services does Munroe provide?**

MCA has recently collaborated with multiple town organizations in initiating the town's second ArtWalk, which produced art in downtown shops, the ArtCycle Parade down Massachusetts Ave., and free performances on the lawn in front of the Chamber of Commerce. MCA initiated the first-ever Lexington Open Studios begun last spring and is in planning for next spring and beyond. Since they were established, the Munroe Center's schools have each made community service part of their mission to Lexington, which includes scholarships, free workshops and scores of events throughout Lexington and charity events including, for example, annual benefits by Dance Inn for Making Strides Against Breast Cancer; Lexington School of Ballet for Children's Hospital; Tae Kwon Do for St. Jude's Hospital.

### **How does MCA Impact Lexington's Economy?**

Collectively the programs operating out of the Munroe School building spend over \$700,000 annually and employ scores of Lexington residents. MCA alone, along with the ArtSpan program and artist studio spaces, is the second largest arts and culture nonprofit within Lexington, surpassed only by the National Heritage Museum in terms of annual spending. On an annual basis, the Munroe Center for the Arts represents approximately 6% of total spending by arts and culture nonprofits in Lexington and approximately 22% of all spending among Lexington arts and culture nonprofits excluding the National Heritage Museum. These numbers suggest that the Munroe Center plays a critical role in Lexington's creative economy. According to Chamber of Commerce Executive Director Mary Jo Bohart,

“[T]he Munroe Center has emerged as a business leader through their Lexington ArtWalk and Lexington Open Studios events, each of which was hugely successful at drawing people into the community who later patronized local businesses ....the Lexington Chamber of Commerce believes strongly in the correlation between the arts and economic development. To that end, formalizing a permanent home for the Munroe Center...will enable this important community organization to flourish and continue the valuable services that they do so well.”