

BUSINESS PLAN

For the Historic

Yuba Theatre
Downieville, California



Sierra County Arts Council
October, 2007

Executive Summary

The historic Yuba Theatre, in Downieville, California, is a unique cultural resource in Sierra County. A well-known and much loved fixture of the Downieville townscape, the theater has been a popular attraction since the 1940s. For 11 years, the Sierra County Arts Council (SCAC), the County's designated local arts agency, has leased the theater from its private owner as a performing arts venue. Sierra County is now in the process of purchasing the theater using state Parks and Recreation funds, but must be reassured that the theater can be self-supporting so as to not place a burden on the county general fund.

This Business Plan provides a plan for how the theater can thrive as a viable cultural resource in Downieville. It begins with a description of the 26-year-old Sierra County Arts Council, the Downieville community and business environment, and the Yuba Theatre itself. It then discusses various financing options, including programming, memberships in the Arts Council, individual and corporate sponsorships, and foundation and government grants. It describes potential markets that can be called upon to patronize events scheduled for the theater, including some large and growing markets within a two-hour drive of Downieville. Finally, it outlines programming opportunities for the theater.

The Business Plan concludes that the theater is an important cultural and artistic resource for Downieville and western Sierra County, and should be cultivated as such. To aid in this goal, the SCAC can and should develop artistic event programming specifically designed to generate operating revenue by attracting audiences from outside the immediate Downieville area. Revenue from such events during the summer months and on selected weekends will allow the SCAC the flexibility to make the theater available to local groups for a variety of cultural events during most of the year.

The Business Plan includes two case studies to support this conclusion: one of the mountain biking phenomenon in Downieville, which shows that it is possible to bring young, energetic, and affluent consumers to Downieville in large numbers; and the other of the Banff Mountain Film Festival World Tour, a prestigious and popular video

program sponsored yearly by the SCAC that mobilizes the community, commands premium ticket prices, and attracts large audiences from a broad area.

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Finally, a special note of thanks goes to Karen Donaldson, former Executive Director of the Sierra County Arts Council and former president of its Board of Directors, whose vision, foresight, and love of the Yuba Theatre made this document possible in the first place.

The Sierra County Arts Council welcomes inquiries. We can be reached by email at sierrart@sccn.net and by telephone at (530) 289-9822. Our web site is www.sierracountyartscouncil.org.

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1. Introduction

1.1. Scope of the Business Plan

In 2005, The Board of Supervisors of Sierra County, California, was awarded a grant of up to \$430,000 from the California Department of Parks and Recreation to acquire the historic Yuba Theatre and some adjoining vacant land parcels in central Downieville. The grant proposal was written in collaboration with the Sierra County Arts Council (SCAC), the current tenant of the theater and sponsor of all events there since 1996. The purpose of this acquisition would be to establish the theater as a permanent cultural venue for Sierra County.

As this document is being written (October, 2007), the county is finalizing negotiations with the owners of the theater and adjoining properties to complete the acquisition process.

As a rural county with little industry, and more than 50% national forest land, Sierra County is not wealthy. The county is concerned that the theater, once it becomes a county property, could become a cash flow drain on already limited public funds.

The SCAC has prepared this document, in consultation with members of the Downieville community, to establish the theater's potential as a self-sustaining non-profit venture. It describes the theater and its environment, analyzes the potential market for

events there, and illustrates the kind of programming that would sustain the theater on an ongoing basis.

In addition, it includes two case studies: one of the Downieville mountain biking phenomenon, which illustrates how young consumers with discretionary income can be attracted to Sierra County; and the Banff Mountain Film Festival World Tour, which illustrates the potential draw of the theater itself given the right kind of programming. These two case studies are essential to understanding the place of the Yuba Theatre within the overall northern California arts and recreation market.

The theater is and will be more than just a business, however. As a cultural venue, the theater is central to the Downieville community. As such, it will have a community role to play in addition to a self-supporting business role. Another goal of this document is to outline ways in which the theater can enrich the cultural life of Sierra County, as a balance to its role as a cultural tourism magnet. Furthermore, one of the two public schools in Sierra County is located in Downieville, a short walk from the theater. One important objective will be to solidify the relationship between the theater, through the Arts Council, and Downieville School.

The balance of this introduction gives some background to the business plan by describing the Sierra County Arts Council, the community of Downieville, and the physical attributes of the theater itself.

1.2. About The Sierra County Arts Council

1.2.1. History and Legal Status

The Sierra County Arts Council (SCAC) was established in 1980 and incorporated in 1981. It has full legal status as a non-profit corporation, and has 501(c)(3) charitable status. The SCAC has been a community arts resource in Sierra County for over 26 years.

The SCAC has participated as a local arts agency in the California Arts Council's State-Local Partnership Program (SLPP) for most of its existence. To enable the SCAC to qualify for this program, the Sierra County Board of Supervisors must pass a resolution annually designating the Arts Council as the official local arts agency for

Sierra County. This designation has been obtained annually since the SCAC was founded.

For the first several years or so of the SCAC's existence, the SLPP provided a substantial operating grant to the SCAC, enabling it to hire a part-time Executive Director and carry on a program of artistic events of primarily local interest. While some community fundraising did take place, the lion's share of the SCAC's budget was provided by the SLPP. After funding to the California Arts Council was cut dramatically in 2002-2003, SCAC lost its operating grant under the SLPP. When that occurred, SCAC was forced to lay off its Executive Director and transform itself into an all-volunteer organization. (The California Arts Council has recently informed the SCAC that it would once again be receiving some operating funds under the SLPP, but that the amount of the operating grant would be much less than it had been.)

In 1996, the SCAC entered into an agreement with the owner of the Yuba Theatre in Downieville to lease the theater and transform it into a performing arts venue. The theater, constructed in a picturesque Downieville location in 1940, served as a movie house from its origin until 1984, when the current owners determined that such an activity was no longer economically viable. The Yuba Theatre is the only fixed-seat theater in Sierra County. Because of its central location and historic charm, the theater is much loved in Downieville and surrounding communities. Consequently, the SCAC has usually had little trouble finding community volunteers to assist in projects to improve the theater. For example, community volunteers constructed a stage and theater lights (including a light booth) and donated a heating and ventilation system. The theater's projection room has also housed the principal business office for the SCAC.

Its relationship with the theater has given the SCAC considerable visibility in Downieville and the entire region, where over the years the Yuba Theatre has become something of a community icon. Such visibility has not always worked to the SCAC's advantage, however, as there has been frequent disagreement about the proper vocation of the theater as a community arts venue and, ultimately, about the appropriate mission and role of the SCAC itself. With the loss of state funding in 2003 and the layoff of full-time staff, most programming at the theater came to a abrupt halt, causing a great deal of consternation in the community and frustration with the SCAC. The SCAC is now

engaged in a concerted effort to open the theater to more community participation, bearing in mind that the theater is still privately owned and that there is no staff member available to provide programming support and oversee theater operations. (The SCAC hopes to hire a part-time Executive Director shortly.) For example, in May 2007 the SCAC entered into an agreement with Downieville School and a group of local benefactors to produce the student musical production *Grease* at the theater. This school production was well received in the community and played to an almost full house on two consecutive nights.

Since its state operating funds were cut in 2003, the SCAC has not been able to meet its monthly rent for the Yuba Theatre. Although the Sierra County Board of Supervisors was able to provide some financial relief for a brief period in 2003-2004, the owner of the theater has forgiven the monthly rent (which has never been raised) as a public service since 2004. She has since joined the SCAC Board of Directors.

The SCAC has sponsored a variety of events in its 26-year history, most of them of chiefly local interest but many of a caliber high enough to attract significant attendance from outside the county. One example is the Banff Mountain Film Festival World Tour (produced by the Banff Centre in Alberta, Canada) for which the Yuba Theatre has been a popular venue for over 12 years. Section 4.1 of this document describes the Banff event in some detail, as a case study of the kind of revenue-generating programming that is possible at the Yuba Theatre. In addition, the theater has occasionally welcomed world-class musicians and performers, many of whom have some personal connection to the northern Sierra Nevada region.

The SCAC's Mission Statement can be found in Appendix III to this Business Plan. Details on the its current program can be found on its web site, www.sierracountyartscouncil.org.

1.2.2. Board of Directors

The SCAC is a non-profit agency governed by a volunteer Board of Directors. Over the years, Board members have represented almost all geographic areas in Sierra County. Some boards have had heavier representation from Downieville and surrounding areas; other boards have had more representation from the eastern part of the county.

Board composition depends heavily on the type of programming currently under way and the level of community support. Because of the between Downieville and eastern Sierra County, and the uncertainties of winter weather that can make the drive difficult, it is not always feasible to have equal representation on the Board from all parts of the county at any one time.

The SCAC's by-laws state that board members may be full- or part-time residents of Sierra County. This provision opens the door to participation by part-time county residents, who make up a significant proportion of the summertime population in the more mountainous areas. The Board does meet by teleconference on occasion.

In addition, the SCAC has an Advisory Board consisting of interested members of the community with skills to share on an occasional basis.

The SCAC is actively recruiting new members to its Board of Directors and Advisory Board.

A list of members of the Board of Directors and Advisory Board as of October 2007 is contained in Appendix IV of this Business Plan.

1.3. About Downieville

1.2.3. Location

Downieville, California is located on Highway 49 north of Auburn, at the confluence of the North Yuba and Downie rivers. It is the county seat of Sierra County. The town's setting is strikingly beautiful, in a deep wooded canyon at the junction of two pristine mountain rivers.

Downieville is roughly an hour's drive from any sizable population center, the nearest of these being Nevada City/Grass Valley, Quincy, Truckee, and Marysville/Yuba City. Sacramento and Reno/Lake Tahoe are both about 2 hours' drive away.

Highway 49, which threads its way through Downieville across a one-lane bridge, is a very picturesque route that serves as the main east-west route through Sierra County. The highway has been designated a scenic highway by the California Department of Transportation. It originates in the Sierra foothills near Yosemite, connects Sierra County with Grass Valley and Nevada City to the south, and links the communities of

Goodyears Bar, Downieville, and Sierra City with Sattley, Calpine, Sierraville and Loyalton in the Sierra Valley.

1.2.4. History

Downieville has an extremely colorful past. Established by Col. William Downie and a group of gold prospectors as “The Forks” in 1849, it was renamed for its founder in 1850. The town grew to a population of over 5,000 residents within a period of a few years as gold was discovered in the North Yuba canyon and surrounding areas. Because of the rapid population influx, as well as the relative remoteness of the area from the rest of California, the state legislature established Sierra County in 1852 with Downieville as its county seat. For a brief period, Downieville was one of the largest settlements in California. At one point it was even a candidate to become the state capital. The Downieville weekly newspaper (*The Mountain Messenger*), established in 1852 and still published today, is one of the oldest continuously operated weekly newspapers in the United States. (The paper even claims that Mark Twain was a reporter in the early days, although historians dispute this.)

With the passing of the Gold Rush, Downieville settled into relative obscurity. The local economy came to depend on mining and forestry operations. When the National Forests were established in the early 1900s, more than 50% of Sierra County passed under the control of the U. S. Forest Service, thereby limiting options for rural economic development. There is currently very little industry in Sierra County.

Downieville has managed to retain much of its Gold Rush character and viability as a small community because of its status as a government service center, as well as a small but vibrant tourism sector that draws on the region's stunning physical beauty and ruggedness. A relatively recent phenomenon is mountain biking, which became popular in Downieville in the 1990s. This activity took root because of an extensive system of abandoned logging and mining roads through the national forests, and has prospered through shrewd marketing on the part of local entrepreneurs and well-organized volunteer efforts to maintain the old roads as bike trails. In recent years, Downieville has become a world-class mountain biking destination, with an annual downhill bike race that

attracts hundreds of participants. A case study of mountain biking in Downieville, as an example of tourism-related economic activity, is contained in Section 1.3.4 below.

Despite Downieville's significance in the early history of California, many (perhaps most) state residents have never heard of it. Those with family ties to the town, however, are often profoundly attached to it and come back to visit frequently. This phenomenon, and its significance to the marketing of the Yuba Theatre, is described in Section 3.4.1 of this document.

1.2.5. The Local Business Community

Main Street in Downieville, where the Yuba Theatre sits, is home to a number of year-round and seasonal businesses. Some of these – such as the grocery store, bank, hardware store, beauty salon, gas station, post office, restaurants, and real estate office – serve the local community in winter and summer alike. Others – for example, the bike shops, gift and antique shops, and the flower shop/nursery – close for several months during the winter.

In addition, a number of small hotels and guesthouses serve the Downieville community. Many (but not all) of these are open year-round.

As a resource-based economy with a large tourism component, Sierra County in general and Downieville in particular are much more active in the summer months. One town tradition is to sponsor frequent street festivals in the summer, when Main Street is closed off to vehicles and the entire community is invited to participate. These include:

- *Gold Rush Days*, in June
- The annual 4th of July celebration
- The *Downieville Classic* bike race (usually in July)
- *Downieville Days* (Labor Day weekend)

While Downieville is generally quiet off-season, it is not unusual for the town to experience a parking problem on a sunny summer Saturday or Sunday. In addition, it can be hard to find a room at local guesthouses or get served in a local restaurant without a wait in July and August. Much of this seasonal demand is fuelled by mountain biking, which is discussed next.

1.2.6. Case Study: Mountain Biking

In the early 1990s, a few young adventurers discovered that the extensive system of old logging and mining roads and trails in the Tahoe National Forest around Downieville made for excellent mountain biking. Of particular interest were roads and trails in the vicinity of Sierra Butte, a rugged and craggy mountain peak some 15 miles to the northeast: an experienced rider could follow these roads down a drop of some 3000 feet all the way to Main Street in Downieville. At the time, there were no local bike shops or other specialized services for bikers. Many local residents were skeptical about the new activity and even hostile toward it. Within a few years, however, as word spread about the Downieville downhill ride, young mountain bikers became a familiar (and accepted) part of life in western Sierra County.

Over time, Downieville came to be recognized as one of the premier mountain biking destinations in the United States, if not the world. All mountain bike oriented California travel guides now have a section on Downieville. Many San Francisco bike shops sell maps of the Downieville bike trails. For a while, a San Francisco based clothing manufacturer specializing in bike gear (*Zoic*) even sold an item called “Downieville Shorts”. For mountain bikers in the know, Downieville is “cool”.

Mountain biking provides much of the fuel for the Downieville economy. There are now two mountain bike shops in town: *Yuba Expeditions*, which is open year-round, and *Downieville Outfitters*, which is open in the summer only. During the season, each of these bike shops run mountain bike shuttle vans up to Packer Saddle, near Sierra Butte, for bikers who want to do the Downieville downhill ride without having to make the climb first. A one-way shuttle ride costs \$15-20. While frequency of service depends on demand, on a typical busy summer morning a Packer Saddle shuttle will depart roughly every hour. On a busy day, Yuba Expeditions serves about 80 shuttle customers, Downieville Outfitters about 60.

In addition to running the shuttles, the bike shops sell high-end mountain bikes, bike gear, supplies, maps, and apparel.

About 300 mountain bikers pass through Downieville in a typical summer weekend. Virtually all of the riders served by the two bike shops are not from Sierra County at all, but travel some distance to take part in the mountain biking activity. While

exact figures are not known, the mountain bike entrepreneurs estimate that roughly 40-50% of their clientele comes from the San Francisco Bay Area (about 3-4 hours away) and 20%-30% from the Sacramento and Reno areas (about two hours away). Owing to Downieville's notoriety as a mountain bike destination, however, riders come to town from all over the United States and Canada. Some riders come from as far away as Europe and Japan.

Because the mountain bikers use trails in the Tahoe National Forest, which is public land, trail maintenance has been an important issue. To address this, a nonprofit group, the *Sierra Butte Trails Stewardship* was formed. This group organizes several weekends throughout the year when members come to Downieville and take part, without pay, in trail preservation and maintenance activities on national forest land. While membership fees for the Trails Stewardship are steep – upwards of \$50 per year – the group has managed to attract a large following. The Trails Stewardship currently has about 300 members.

To date in 2007, the Trails Stewardship has organized five “Trail Daze” trail preservation work events, with another four planned for later in the year. The work events occur about once per month outside of the main summer riding season, and less frequently during it (as many members prefer to be on the trails riding).

The *Downieville Classic Mountain Bike Festival*, which occurs each year in July, is a major event that attracts experienced mountain bikers from around the world. The 29-mile downhill race from Sierra Butte to Downieville is well known for its strenuousness and technical challenges. In 2007, over 300 bikers participated in the race, registration for which sold out over the Internet in less than three minutes. The bike race also provides an opportunity for the entire town of Downieville to hold one of its weekend-long summer street fairs. Almost two thousand people turned out for the celebration in 2007.

On September 9, 2007, the Sunday *Los Angeles Times* published “Daredevil trails in Downieville, California,” a story about Downieville mountain biking.

For more information about mountain biking in Downieville:

Downieville Classic Mountain Bike Festival (www.downievilleclassic.com)

Yuba Expeditions (www.yubaexpeditions.com)

Downieville Outfitters (www.downievilleoutfitters.com)

Sierra Butte Trails Stewardship (www.sierratrails.org)

“Daredevil trails in Downieville, California” (Los Angeles Times)

(<http://www.latimes.com/search/la-tr-downieville9sep09,0,1971901.story>)

1.4. About the Yuba Theatre

1.2.7. History

The historic Yuba Theatre was built by Vern Shattuck in 1940 as a movie theater. The 224-seat theater was constructed in the same style as the St. Charles Hotel, which at the time was across the street. The projection equipment had been used previously to show movies at Gold Lake Lodge in the summer. Mr. Shattuck operated the theater until 1946, when Ray and Ann Costa Brett of Downieville purchased it. The Bretts operated the theater until 1974, when Betty and Eben Smart of Sacramento and Goodyears Bar purchased it. The Smarts upgraded the projection equipment and sound system, replaced the carpeting, and remodeled the projection booth. They operated the theater as a family enterprise until 1984, when the advent of home video eroded the local market for film attendance. The theater was then used only sporadically for occasional movies and community events.

In 1996, the Smart family leased the theater to the Sierra County Arts Council. The SCAC transformed it into a performing arts venue by increasing stage space and installing soundboard, curtain, and lights. To accommodate these changes, the SCAC decreased total seating from 224 to 189. The SCAC continues to operate the theater, although because of the withdrawal of its state funding it has not paid rent since 2004.

Interviews with two of the three Yuba Theatre owners, which provide a more complete history of the theater, can be found in Appendix I.

1.2.8. Physical Attributes and Limitations

The theater currently has 189 seats on a single floor, with no balcony. It has a double front door that opens directly onto Main Street in Downieville, as well as a small lobby with a ticket booth and small men's and women's restrooms. The ticket booth, while small and ill suited to serving large numbers of people, contributes to the period charm of the theater. There are no permanent refreshment facilities. Productions that sell refreshments must make do with small tables for this purpose in the already crowded lobby area.

The theater has a projection room on the second floor, which is accessed by a small stairway from the lobby. The projection room currently contains two 35mm projectors, which at the request of the owner are not used. The projection room is also used as an office by the Sierra County Arts Council, and provides access to the building attic.

Although SCAC volunteers built a working stage suitable for use by small theater productions, there is little in the way of backstage facilities. Amateur theater troupes must be creative in their use of whatever little space is available for costume changes, makeup, and the like.

SCAC volunteers constructed a lighting system and tech booth at the rear of the theater in the late 1990s.

Because the lobby can be entered directly from Main Street, with no stairs to climb, the theater itself is wheelchair accessible and has accommodated people in wheelchairs a number of times. The restrooms are currently too small to be wheelchair accessible, although accessible public restroom facilities are available nearby.

The SCAC office, which is located in the former projection room above the lobby, is reached by stairway from the lobby and is not wheelchair accessible.

1.2.9. Prospects for Renovation and Expansion

With 189 seats, the theater probably has adequate capacity for most productions that would be scheduled for it. Some productions do sell out the theater, however, and must turn away potential patrons. Such was the case, for example, at one of the Banff Mountain Film Festival World Tour screenings in 2007 (on Saturday night, April 7).

It is reasonable to expect, however, that some funds will need to be expended for renovation and expansion in the future. Here is a list of areas potentially needing attention:

- a. **Lobby area.** The existing lobby is conveniently located directly on Main Street, but is very small. There is very little space for ticket or refreshment sales – a problem for well-attended events. An expanded lobby (perhaps by extending the building into the adjacent vacant lot) might be a worthwhile future project.
- b. **Electrical wiring.** The theater was rewired in 1974, and most of the electrical wiring is probably sound. The stage lighting was installed by SCAC volunteers, however, and may need to be upgraded to meet code. In addition, the main light switch is upstairs in the projection room/SCAC office, requiring the use of a flashlight when entering the dark theater for the first time. This is inconvenient and potentially dangerous.
- c. **Restrooms.** As noted above, the existing restrooms are too small to accommodate wheelchairs. While the SCAC is not aware of any complaints about this situation, future renovation plans should include wheelchair-accessible restrooms.
- d. **Backstage facilities.** Because there is so little room backstage, many theater troupes are forced to use the theater's back yard (or facilities in a neighboring guest house) for costume changes and makeup. This is clearly not suitable in inclement weather. A future renovation plan should include some backstage facilities to accommodate live theater productions.

The Parks and Recreation grant to purchase the theater includes funds to purchase the vacant lots adjacent to the theater. Much open discussion about how to use this vacant land is now under way in the community. One option discussed is an open, park-like plaza. Another is an outdoor amphitheater, to take advantage of the site's sloped topography and river views. A third could be a lobby expansion project, including wheelchair-accessible restrooms. An expanded lobby could be made to be compatible with (and even complement) a park or outdoor amphitheater.

As the Parks and Recreation grant does not include funds to carry out renovations or expansion of the existing building, any such project would have to be funded through some other mechanism. When the theater becomes public property, a number of funding avenues will open up to address these concerns.



2. Study Assumptions

This section presents some of the assumptions underlying the viability analysis that makes up the balance of this document. Its purpose is to establish a framework for viewing the theater as a living, vital entity within the community, one that can sustain itself over the long term. Discussion centers on a basic set of “givens”:

- That the theater will be managed as a nonprofit venture, most likely by the Sierra County Arts Council (which has existed as a nonprofit for 26 years and managed the theater for 11 years);
- That the theater will play a significant role as a Downieville community resource; and
- That revenue to support the theater will come from multiple sources, including ticket sales, private individuals, foundations, and various levels of government.

2.1. The Nonprofit Institutional Context

It is assumed throughout this document that the Yuba Theatre will be operated as a nonprofit venture. The theater, like any business, will necessarily have expenses and liabilities that must be made up for in operating revenue. As a performing arts venue, the

theater enjoys the possibility of raising some funds through ticket sales and facility rentals. As a nonprofit enterprise, the theater will also have access to foundation and government grants, and will be a natural target for extensive fundraising from private individuals.

The Sierra County Arts Council (SCAC) has operated the Yuba Theatre for over 11 of its 26 years of existence. As discussed above, the SCAC is the designated local arts agency in the sense of the State-Local Partnership Program of the California Arts Council (CAC). As such, it has special status with the State of California, and has access to certain CAC operating grant programs. Moving forward, the SCAC thus becomes the natural candidate for operating the theater as a nonprofit venture. In fact, the Parks and Recreation grant allowing the county to purchase the property assumed that the theater would be a cultural venue under the management of the SCAC.

2.2. The Theater in the Downieville Community

This section describes the role of the theater in the community of Downieville. It discusses the two main facets of the theater operations – as a community resource and as a revenue-generating tool. It also discusses the important historical relationship between the theater and the Downieville School.

2.2.1. The Theater as a Community Focal Point

Because of its place in California history, human scale, and intrinsic charm, Downieville is a special place. The theater in turn plays a special role in the community, by virtue of its physical location in the center of town and its unique cultural vocation. It is therefore natural that the theater would be viewed as a focal point for the entire community, because it is so central to everything that goes on there.

The village itself is compact and pedestrian-oriented; with the exception of those located on steep canyon slopes, most homes and businesses are an easy walk or bicycle ride from the theater. Main Street, on which the theater sits, was first laid out in the 1850s; a number of historic 19th-century buildings still stand within a stone's throw of the theater. There are a number of mature trees that grow along the street. Sierra County maintains a number of wooden plank sidewalks in central Downieville, to emphasize the community's Gold Rush roots and complement the period architecture. The theater, itself

of frame construction with plank siding, gives onto one such wooden sidewalk through its wide front door.

Because the theater is so visible in the community and has such rich cultural ties to its long-term residents, common sentiment in Downieville is that the theater should be open and used. When circumstances are right, events at the theater can inspire impressive community participation. For example, the school production of *Grease* in May 2007 played to full houses on two consecutive nights. The production was underwritten by a group of 16 Sierra County merchants, most of them from Downieville. In a community of only 350 people, such participation is truly remarkable.

The SCAC also anticipates that the theater will be used as an alternative venue for county Board of Supervisors meetings, for all-candidates' meetings, and other public meetings of the same nature.

2.2.2. The Theater as an Operating Business

In addition to its status as a community icon, however, the theater has an additional important capability: it can charge for admission. With the potential for a revenue stream, the theater should be viewed as a business, and as such as an important member of the Downieville business community.

The Yuba Theatre operated as a movie house for many years. During at least part of that time it made a modest profit. It has not done so for some time. The Smart family, who operated the theater for about 10 years, had no choice but to cease operations when it became clear that movie audiences were not what they had been in the 1960s and 1970s. Consequently, any discussion of the theater's revenue generating capacity must take account of its somewhat sobering recent history as a movie house.

On the other hand, significant revenue potential surely exists. An example is the Banff Mountain Film Festival World Tour, which has been produced at the Yuba Theatre annually for the past 12 years. Because of this program's special nature, the Arts Council can charge premium prices for Banff festival tickets (in 2007, \$18 at the door and \$16 advance). Despite the steep price (for an evening of video), ticket sales are generally brisk. With careful event planning, marketing, and cost control, such an event can make money to support the theater.

Further discussion of the theater's revenue generating potential is contained in Section 3.2 of this document, where other sources of revenue are considered as well. A case study of the Banff Mountain Film Festival World Tour, as an example of what is possible with the Yuba Theatre, is presented in Section 4.1.

2.2.3. The Theater's Relationship with Downieville School

Downieville School is one of six schools in the Sierra-Plumas Joint Unified School District, which includes all of Sierra County and the extreme eastern part of Plumas County to the north. It is a K-12 school with total pupil enrollment of under 100 students and total faculty of about 10 teachers. The school is contained in a single building, a short walk from the Yuba Theatre.

The Downieville School has a long history with the SCAC and the Yuba Theatre. Soon after the SCAC leased the theater as an arts venue in the late 1990s, the school contributed a large part of the funds toward a new heating and air conditioning system. The SCAC has always maintained a differential pricing policy that gives preferential treatment to school productions.

The school has put on a number of dramatic productions at the theater, most recently the musical *Grease* in May 2007. It is anticipated that the school will continue to do so, at a rate of one or two productions per year. Since these are student productions of live theater, they will require considerable theater availability for rehearsals. Although these productions will take place during the school year (hence during winter and "shoulder" seasons when the theater is less in demand), careful scheduling will be required to ensure that the school has maximum access to the theater without interfering with other events.

Since the SCAC has a countywide mandate, the theater will be available to other schools in the district as well. Since all of the other schools are in the Sierra Valley, at considerable distance from Downieville, it is unlikely that productions from those schools will want to use the theater as a rehearsal space. Consequently, such productions will be much easier to accommodate.

2.3. Possible Revenue Sources

This section reviews possible revenue sources for the Yuba Theatre. It discusses a variety of sources, both public and private. Clearly, if the theater is to survive as a viable entity, it must cultivate many diverse funding sources.

2.3.1. Memberships

Annual memberships can be sold to members of the theater-going public. One model for such member might be public radio and television (e.g., KVMR and Capital Public Radio) where annual memberships are sold as a fund-raising mechanism in semi-annual fund drives.

The Sierra County Arts Council, which now manages the theater, has sold annual memberships as its prime fundraising mechanism for many years. There are many levels of such membership, ranging from student (\$15/year) and individual (\$25/year) to Benefactor (\$500+/year). At present the only real privilege offered to an SCAC member is recognition on the web site.

Public radio and television generally allow members to donate what they can, although they do generally take better care of donors who give larger amounts. For example, some public radio stations have a “Producer’s Circle” program for high-end donors, which allows greater access to production staff and input into programming. In the case of the Yuba Theatre, the SCAC could set a policy whereby donors who give in excess of, say, \$50 per year would have access to discounted tickets, and those in excess of \$100 would have priority seating.

Keeping track of the various membership levels and who has access to what is a nontrivial administrative challenge. This must be taken account of when planning for staffing levels at the Yuba Theatre.

2.3.2. Ticket Sales

As a film/video and performing arts venue, the Yuba Theatre charges admission for most of its events. Some events, such as “open mike nights,” public meetings, and selected cultural events, have been free of charge.

Ticket prices will vary, depending on the kind of event being produced. A high-end event such as the Banff Mountain Film Festival World Tour, for example, can

command premium prices (in 2007, \$18 per ticket at the door). Local productions, such as little theater or open mike nights, will clearly charge much less.

In setting ticket prices, the theater programming staff will have to balance the need to use ticket sales as an opportunity for revenue generation with the purpose of the production and the ability of the target audience to pay. Events of primarily community interest will naturally have lower ticket prices than those with a broader regional audience.

Organizations that rent the theater for their own productions may set their own ticket prices, as discussed in the next section.

2.3.3. Theater Rentals

Members of the public occasionally approach the SCAC to rent the theater for private events such as weddings. The SCAC will make available a schedule of fees for rental to the general public.

The SCAC should not be viewed, however, as simply a theater rental agency. Arts and theater groups seeking to produce events in the theater will be encouraged to work as event co-sponsors with the SCAC. The SCAC can and will actively solicit co-sponsorship opportunities with other groups, to bring as many activities as possible that take place in the theater under the full auspices of the SCAC.

2.3.4. Sponsorships

The Yuba Theatre is an active member of the Downieville business community. By scheduling events that draw spectators to Downieville, it can have a huge impact on the bottom line of other businesses in town. Consequently, sponsorships from local businesses can and should be actively solicited.

2.3.5. Private Fund Raising (Operating and Capital)

The Yuba Theatre is a favorite arts venue in Sierra County and the surrounding region. Many people in the region recognize the need to sustain a viable program at the theater, and historically have done so. The SCAC has already embarked on a program to establish a professional fund-raising program for purposes of supporting its operations, including the Yuba Theatre. In addition, calls can be made for capital improvements to

the theater. For example, local volunteers have been actively soliciting donations to purchase a new screen and video projection equipment for the theater, and have already collected more than \$2500 in small donations using little more than strategically placed coffee cans. The SCAC intends to professionalize its fund-raising operations using email, the Internet, and other state-of-the-art technologies.

2.3.6. Foundations and Government

As discussed in Section 2.1 above, the SCAC is a designated local arts agency in the sense of the State-Local Partnership Program of the California Arts Council, and as such has special status as a nonprofit agency in California. The SCAC intends to make full use of this status to apply for operating and capital improvement funds from appropriate foundations and government grant agencies.

The SCAC is already supported at a minimal level by a State-Local Partnership grant through the California Arts Council (CAC). Funding through this program depends on the amount budgeted for the CAC by the state legislature. The State-Local Partnership Program provided no funds at all to the SCAC between 2004 and 2006. Although funding has returned in 2007, it is still at a much lower level than it was in the late 1990s. The SCAC, and through it the Yuba Theatre, cannot count on the CAC to fund its entire program and must obtain funds through other sources.

A number of foundations, notably the Irvine Foundation, are interested in supporting arts-supported rural economic development. The SCAC is interested in approaching such foundations for their support, possibly in cooperation with other nonprofits in Sierra County and county government.

The SCAC has recently applied to the Bill Graham Foundation for financial support to purchase professional video projection equipment and a permanent, high-quality screen.

Finally, Sierra County itself has made clear that there is little room in the general fund budget to support the Yuba Theatre. The SCAC notes, however, that the county collects substantial Transient Occupancy Tax (TOT) revenue from tourism-related businesses in the county, and that TOT funds have traditionally been used to support activities that promote tourism, including the arts. Furthermore, state granting agencies

expect the County to support the SCAC as part of the California Arts Council's State Local Partnership Program. Consequently, the County should be encouraged to provide some ongoing support to the SCAC. In this regard, the SCAC is interested in pursuing non-traditional, in-kind arrangements with the County for purposes of obtaining grants from other agencies. For example, forgiveness of monthly rent, building maintenance by County staff, access to County suppliers, and occasional County planning department staff time are all valuable resources that would cost the County relatively little but could count for much on grant applications.

2.4. Staffing Requirements

The SCAC intends to hire staff to manage the Yuba Theatre shortly, initially using funds from its recent California Arts Council grant.

At first, the SCAC Executive Director will be responsible for programming at the Yuba Theatre and managing the theater facility itself, with volunteer assistance from the Board of Directors and members of the community. Over time, as funding permits and as programming requirements warrant, the SCAC will hire staff dedicated exclusively to the management of the theater.

The SCAC has recently posted a job description for the Executive Director position on its web site (and intends to fill this position shortly). A copy of this job description is included in Appendix II of this Business Plan.



3. Potential Market

This section discusses the potential market for events at the Yuba Theatre. Sierra County is fairly unique in that, while sparsely populated with a definite feeling of geographical remoteness, it is a relatively short drive from major population centers in just about any direction. Consequently, a number of different markets will be discussed: the strictly local market of Downieville and environs, markets within a one-hour drive (eastern Sierra County, Nevada City/Grass Valley, Plumas County), and markets within a two-hour drive (Sacramento, Reno/Lake Tahoe, Yuba/Sutter, and Chico). The section concludes with a discussion of special markets with no particular geographic ties to Downieville.

A number of maps and population figures are presented on the following pages, to place Downieville in its geographic context. Figure 1 is a map of counties in north central California. Figure 2 is an aerial view of the region, notably showing the proximity of the Reno, Nevada area to the east.

Table 1, from the Census Bureau, is a table of annual population estimates since 2000 for Sierra County and a number of California counties within a two-hour drive, as well as Washoe County, Nevada (which includes Reno). It can be seen that the populations of all of the other counties are much larger than that of Sierra County, in

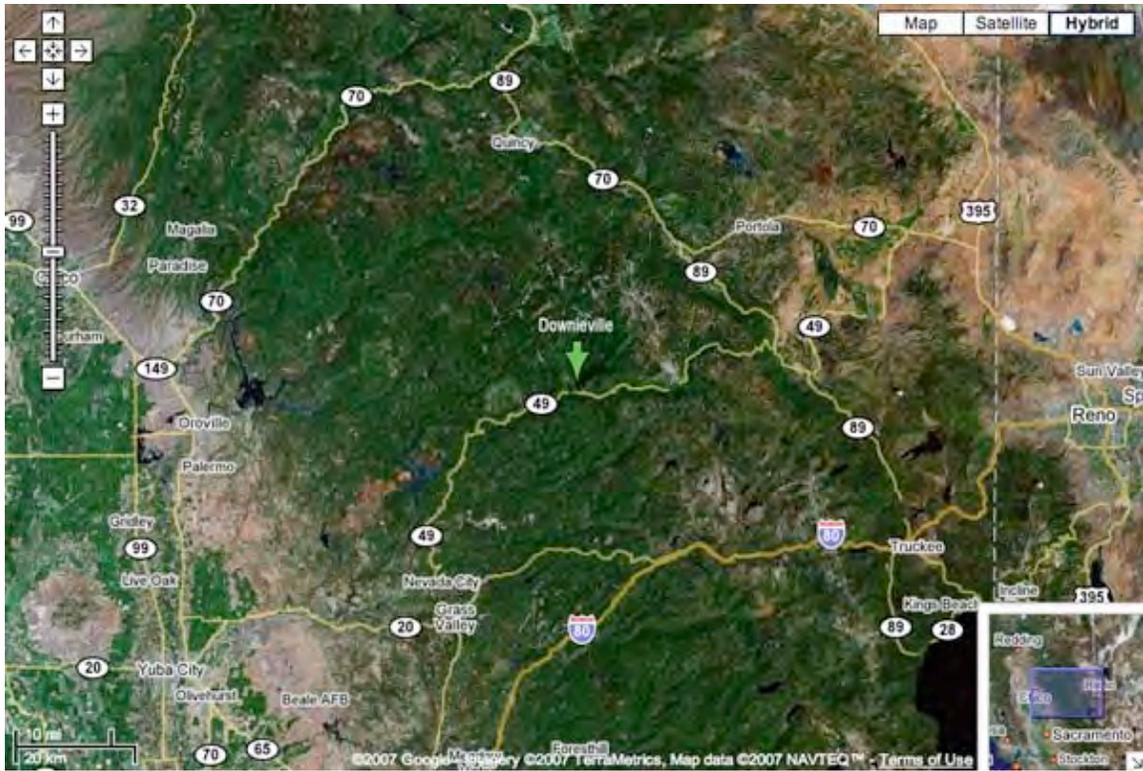
some cases by several orders of magnitude. In addition, the populations of neighboring counties have been growing since 2000, in many cases dramatically (Sierra County, in contrast, has lost population).

Figure 3 is a map of the counties in the direct vicinity of Sierra County, indicating population by county as of 2000. A number of fairly populous counties border Sierra County to the south. Even more revealing is Figure 4, which shows population per square mile by census tract in Sierra County and environs. As can be seen, Downieville and Sierra County seem to make a sparsely populated “hole” in an otherwise fairly populous region. Interestingly, although Plumas County to the north is sparsely populated as a whole, there are some more heavily populated census tracts (Graegle and Portola) immediately adjoining the Sierra County line and relatively close to Downieville.



(Source: Atlas of California, Humboldt State University (<http://www.humboldt.edu/~cga/calatlas/atlas.html>))

Figure 1
Downieville in its Geographic Context



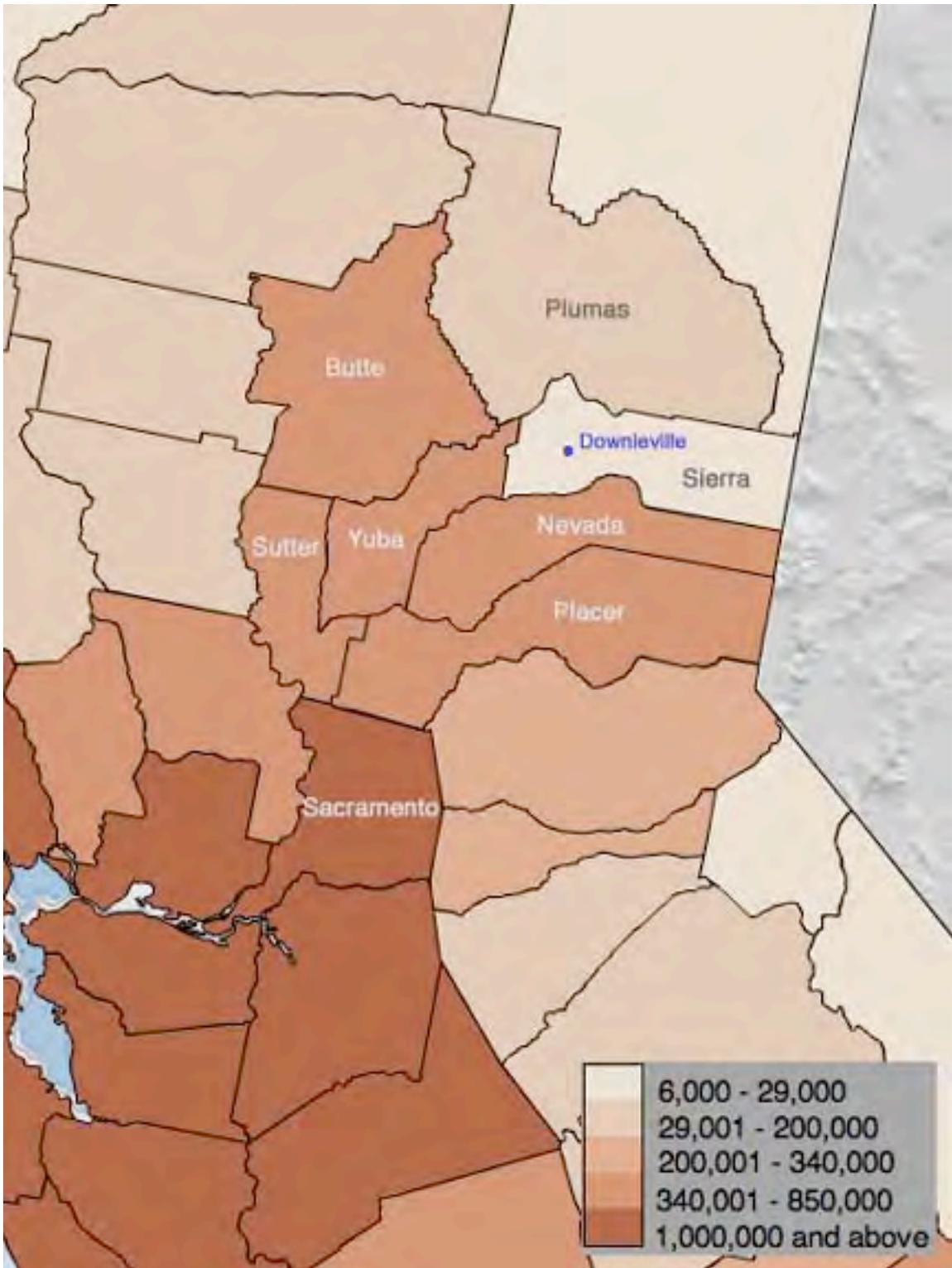
Source: Google Maps (<http://maps.google.com>)

Figure 2
Aerial View of Downieville and the Surrounding Region

Total Population	Sierra County	Nevada County	Placer County	Plumas County	Sacramento County	Yuba County	Sutter County	Butte County	Washoe County (NV)
July 1, 2006	3,455	98,764	326,242	21,263	1,374,724	70,396	91,410	215,881	396,428
July 1, 2005	3,405	98,263	316,868	21,409	1,363,423	67,144	89,005	214,153	389,775
July 1, 2004	3,475	97,308	306,151	21,297	1,350,861	64,449	86,744	212,609	380,584
July 1, 2003	3,539	96,154	293,254	21,164	1,330,044	63,607	84,803	210,985	371,021
July 1, 2002	3,497	95,052	278,920	21,001	1,302,102	62,386	82,372	208,683	361,882
July 1, 2001	3,529	93,868	264,840	20,899	1,266,762	61,392	80,204	205,924	351,750
July 1, 2000	3,577	92,541	251,343	20,783	1,230,401	60,345	79,207	203,808	341,388
Census 2000	3,555	92,033	248,399	20,824	1,233,499	60,219	78,930	203,171	339,486

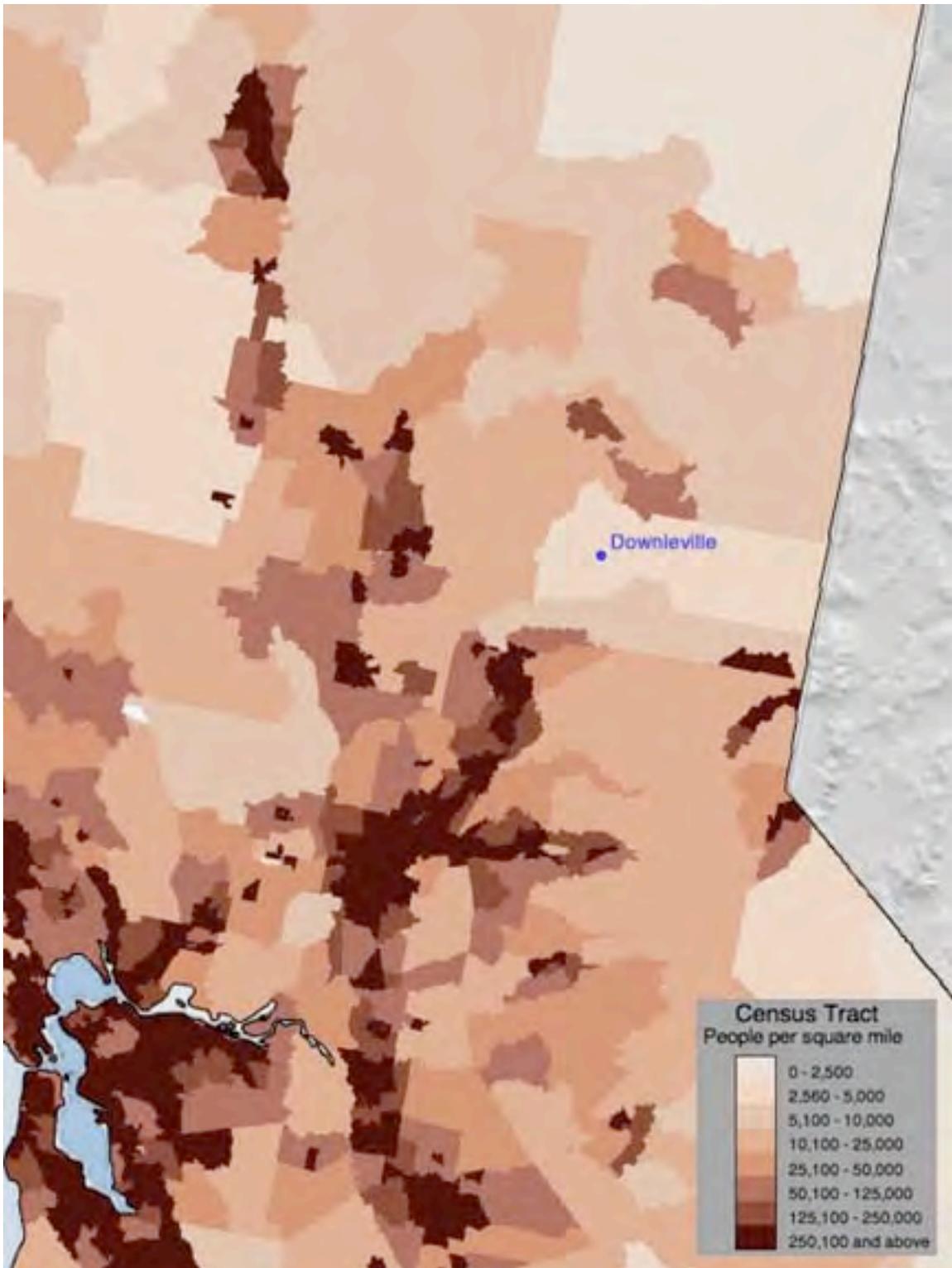
Source: US Census Bureau, Population Estimates Program

Table 1
Population of Sierra County and Neighboring Counties, Since 2000



(Source: Atlas of California, Humboldt State University (<http://www.humboldt.edu/~cga/calatlas/atlas.html>))

Figure 3
Surrounding Region, Population by County



(Source: Atlas of California, Humboldt State University (<http://www.humboldt.edu/~cga/calatlas/atlas.html>))

Figure 4
Surrounding Region, Population by Census Tract

3.1. Downieville and Western Sierra County

As discussed elsewhere in this Business Plan, the Downieville area is sparsely populated – the town itself is the largest settlement within about 50 miles and has only about 350 year-round residents. Western Sierra County as a whole counts less than 1000 year-round souls.

This small market will, however, provide audiences for local productions such as school plays and little theater. Historically, county residents are known to come out for performances by local talent. School productions are very popular. For example, the recent Downieville School production of *Grease* in May 2007 practically sold out the Yuba Theatre two nights running – and the audience was almost all local people.

Over the years, the SCAC has produced a number of well-received events at the Yuba Theatre, including many little theater productions involving local people (notably the Sierra Turnpike Players). While such productions are not big moneymakers and by themselves could not support the theater's operations, they do bring out the general public, generate community support for the theater, and produce modest revenue. The SCAC will make every effort to accommodate local groups wishing to use the theater for artistic productions of all kinds.

Finally, the western Sierra County market is largely seasonal, since the local population is much larger in the summer than it is year-round. Many summer residents own property in Sierra County, while others come for specific events such as Gold Rush Days, the Downieville Classic mountain bike race, the Quilt Show, the Bottle Show, or other popular events. The SCAC intends to organize its programming to take advantage of this larger summertime market, which includes vacationers, part-time residents, mountain bikers, and other seasonal groups. A large part of its fundraising and marketing activities will involve maintaining contact with part-time residents and frequent visitors using email and the Internet.

3.2. Markets Within One Hour's Drive

3.2.1. Eastern Sierra County

Most of Sierra County's population lives in the Sierra Valley (including the city of Loyalton and the towns of Sierraville, Sattley, and Calpine) across Yuba Pass. Although Downieville is the county seat of Sierra County, the Sierra Valley is actually fairly remote from it – about an hour's drive along Highway 49. Many Sierra Valley residents rarely cross over into the western part of the county, preferring to travel to the larger Reno or Truckee/Lake Tahoe areas to shop or attend cultural events.

As a countywide agency, the SCAC will give priority for programming and performance opportunities to Sierra County residents, no matter where they reside in the county. Furthermore, eastern Sierra County will add itself to the pool of potential customers for the theater's event planning. Since the Yuba Theatre is the only fixed-seat theater in Sierra County, Sierra Valley residents must already travel at least an hour (to Reno or Quincy) to attend a movie or theater performance. Given the right event, it is just as easy to come to Downieville.

3.2.2. Nevada City / Grass Valley

The twin cities of Nevada City and Grass Valley, about one hour away from Downieville to the southwest, offer a wide range of shopping and dining opportunities, and are where many Downieville people go to find items they can't obtain locally. These communities, which provide a gateway to major population areas along the Interstate 80 corridor between Sacramento and Reno/Lake Tahoe, also have two of the closest movie theaters to Downieville (another being in Quincy, in Plumas County).

Nevada City, itself an old Gold Rush town, has become something of a center of mountain culture over the past few decades. The lower cost of mountain living has attracted a number of practicing artists from the Bay Area and Sacramento to the region. The Nevada City public radio station, KVMR, is popular and listened over a wide area (and can be picked up easily in Downieville). By virtue of its relative proximity and similarity in outlook to that of Downieville, the Nevada City / Grass Valley region must be viewed as prime territory for potential Yuba Theatre patrons.

3.2.3. Plumas County

Plumas County, to the north, is a largely rural county that resembles Sierra County in many ways. For example, both counties are sparsely populated, and encompass both mountainous areas and portions of the Sierra Valley. The kinship is administrative as well, as the two counties participate in a variety of regional initiatives involving schools and social services. With comparatively less public land, however, Plumas County has a much larger population.

Despite its rural setting, Plumas County has a very active arts organization, Plumas Arts (www.plumasarts.org), based in Quincy. Interestingly, Plumas Arts operates a movie theater (the *Town Hall Cinema*) that shows first-run movies several nights per week. Although Quincy is much larger than Downieville, the Plumas Arts experience does show what is possible in a rural environment given the right level of community involvement, board commitment, and event marketing effort.

The SCAC has an excellent working relationship with Plumas Arts and consults regularly with its staff and Board of Directors.

Finally, recent years have seen considerable new housing development in the communities of Graegle and Portola, bordering Sierra County and roughly a 1-hour drive from Downieville through the Lakes Basin. Both of these communities, as well as Quincy slightly further north, should be considered in any Yuba Theatre marketing plan.

3.3. Markets Within Two Hours' Drive

3.3.1. Sacramento

Sacramento is the capital of California. Its sprawling suburbs reach north into Placer County, placing it at the edge of the theater's prime marketing area. At roughly two hours drive from Downieville, Sacramento is far enough away that its residents will not drive to Downieville casually, but close enough that a day trip is possible – in fact, Sacramento is already a prime source of clientele for Downieville mountain bike entrepreneurs. And with well over one million residents and growing, the Sacramento region is simply too large to ignore.

And Sacramento knows about Downieville: A recent article in the daily *Sacramento Bee* newspaper highlighted Downieville and its uniqueness as a Gold Rush

community. See *Arguably a Fine Place: Downieville Residents Find That They Can Disagree On Past, Present, Future* (<http://www.sacbee.com/101/story/139845.html>).

The Sacramento area is also home to a number of universities, notably Sacramento State University and University of California, Davis.

3.3.2. Reno, Truckee, and Lake Tahoe

Given the ruggedness and tranquility of Sierra County, it's easy to forget that Reno, Nevada and Lake Tahoe – two of the fastest growing regions in the United States – are located only a few miles from the county's southeastern corner.

Reno – like Truckee on the California side – is close enough to Sierra County that some Sierra Valley residents actually commute there to work.

Like Sacramento, the Reno/Tahoe area is about a two-hour drive from Downieville. And like Sacramento, the region is a source of many mountain biking customers for Downieville bike shops.

In addition, Downieville and Sierra County could be promoted as a scenic stopover for travelers from Sacramento and the Bay Area on their way to Reno for a weekend of entertainment.

Finally, one of the branches of the University of Nevada is located in Reno.

3.3.3. Yuba / Sutter, Chico, and the Northern Central Valley

To the west of Downieville, in the northern Central Valley, are the towns of Marysville (in Yuba County) and Yuba City (in Sutter County). The region is fast growing and close enough that some residents could decide to take in a production at the Yuba Theatre on a day trip. The Yuba City region in particular has a fast-growing population, with many of the newer residents of south Asian descent. In other words, the region surrounding Sierra County is much more diverse than would appear at first glance, and a marketing strategy should recognize that.

The city of Chico (Butte County), northwest of Downieville, is home to a branch of the California State University system. Many Downieville high school students go on to college at Cal State Chico. The university also has an active Elderhostel program (see Section 3.4.2).

3.4. Special Markets

3.4.1. Former Downieville Residents

Owing to Downieville's history, breathtaking beauty, and close-knit community, people who grew up there tend to come back long after they have made lives for themselves elsewhere. It is not unusual, for example, for extended families to completely fill up the local guesthouses for an entire weekend for some kind of family event such as a wedding, funeral, or family reunion. Some family members attending such events come from as far away as Oregon and Southern California. All share a deep fondness for Downieville and the Yuba Theatre, and often exchange stories about attending movies at the theater when they were young.

In addition to providing an audience for productions at the theater during weekends of family events, this group can be called upon to support the theater by becoming members of the SCAC. An effort should be made to partner with local guesthouses and restaurants to recruit as many of these potential supporters as possible as members of the SCAC, or at least keep in touch with them by email.

3.4.2. Conferences and Retreats

Because of its compact size and picturesque setting, Downieville would be perfect for special conferences and meetings, such as Elderhostel (www.elderhostel.org) or corporate off-site retreats. While no single Sierra County accommodation facility is large enough to handle any kind of serious conference of this nature, existing guesthouses and restaurants could be used on a cooperative basis to provide the necessary accommodation infrastructure. The Yuba Theatre, being centrally located, could serve as a focal point and conference center. The SCAC could act as a central coordinating agency, and enlist the cooperation of community businesses to ensure that the appropriate services are available to conference attendees.

This idea depends on a high degree of cooperation and schedule coordination between private businesses in Downieville and the SCAC, and would require considerable marketing effort to sell the idea of Downieville and the Yuba Theatre as a conference center.



4. Opportunities For Programming

This section will sketch out the various kinds of events that the SCAC intends to program for in the Yuba Theatre. As a fixed-seat theater, and as such very well suited to live theater, film, and video, these activities will make up most of the program. In addition, some attention will be given to other activities, notably the theater's use as a meeting hall / community center and conference facility.

We begin this section with a case study of the Banff Mountain Film Festival World Tour, a familiar and favorite Yuba Theatre event, which demonstrates the theater's potential as a draw for audiences from outside the immediate region and, given the right programming, its capacity to generate revenue.

4.1. Case Study: Banff Mountain Film Festival World Tour

One of the SCAC's most popular activities is as a participating venue for the Banff Mountain Film Festival World Tour. This event is organized by the Banff Centre in Banff, Alberta, Canada, and consists of a touring video festival featuring mountain-related content. For a fee, the Banff Centre provides most materials for the event including a high-quality video projector. The SCAC, for its part, must provide the theater facility, the screen, the sound system, and volunteers to actually staff the event.

The SCAC has been a Banff Festival venue every year since it began to lease the Yuba Theatre in 1996 – the 2007 festival was the SCAC's 12th year of participation. Consequently, the SCAC has an excellent working relationship with the Banff Centre. The Yuba Theatre is a favorite venue, because of its unique location, small size, and generally charming atmosphere. It was featured in the 2006 edition of the Banff Festival magazine.

The Banff Centre provides enough content for several different shows. A venue may participate for a single show or for many shows, depending on the organization's budget and the level of local interest. The SCAC started out with a single night of Banff yearly, but quickly expanded to two nights per year. For the past two years, the SCAC has hosted three distinct Banff Festival programs extending over an entire weekend (Friday, Saturday, and Sunday). The Banff Festival usually visits Downieville in March or April. The 2007 Yuba Theatre Banff event occurred over Easter weekend, April 6-8.

Banff weekend has become a favorite event in Downieville, in part because the theater is fulfilling its intended vocation, and in part because it generates a lot of collateral trade for local businesses. Historically, Downieville community volunteers have provided much of the work to make the weekend a success. For example, the main box office for the Banff Festival event for the last several years has been the Downieville Grocery. The local Girl Scout troop has provided desserts and coffee.

While the Banff Centre provides the projection equipment, the SCAC is required to provide a screen. For several years, the SCAC has rented a screen from a source in Nevada City. This arrangement is inconvenient for a number of reasons. First, the screen must be picked up and returned, involving two 100-mile round trips. Second, the screen must be put up and taken down by volunteers, a fairly laborious and complex task. Third, since there are so few sources in the area, the SCAC has little control over the quality of the screen. This was a problem at 2007 Banff, where screen quality was visibly flawed. Finally, the rental cost is non-recoverable, and over several seasons amounts to the price of a brand-new, permanently installed screen.

Banff is a fairly expensive event to produce – each program costs in excess of \$1000 US, representing a fairly major expense for the SCAC. On the other hand, the event commands premium ticket prices – in 2007, \$16 advance sale and \$18 at the door.

Consequently, despite the high program fees, this year's Banff event was actually able to make a little money for the SCAC. Well over 400 viewers attended the 2007 Banff event. The Saturday show was completely sold out, even with a few supplementary seats for last-minute ticket purchasers. With some bulk-ticket purchases by local businesses (primarily to help fill the house on Sunday), total receipts came to nearly \$8,000.

While the SCAC did not keep track of where the 2007 Banff audiences came from, it was clear anecdotally that the audiences, for the most part, were not local. In fact, much of the audience traveled some distance to attend. Many attendees appear to have come in from Nevada City, Grass Valley, and the Sacramento region, although some came from as far away as southern California and stayed for the entire weekend.

While the Banff experience can clearly not be repeated every week, it provides a good indication of the kind of programming that can be used to support the Yuba Theatre – innovative, creative programming targeted to audiences with means who are willing to make the trek to Downieville. The rest of this section explores some promising programming options for the theater that build on this experience.

For more information:

Banff Mountain Film Festival World Tour

[\(http://www.banffcentre.ca/MountainCulture/tour/\)](http://www.banffcentre.ca/MountainCulture/tour/)

4.2. Film and Video

In view of its long history as a movie house, the vocation of the Yuba Theatre as a venue for film showings is clear. The 35mm film projection equipment is still in the projection room and from all appearances is still fully functional (although it has not been used for some time). The sound system and acoustics are excellent. Still needed, however, is a permanent, high-quality screen, as well as professional quality video projection equipment that will allow the theater to present video-based programs.

The SCAC intends to equip the theater with a screen and video projection equipment as soon as possible. The SCAC has already obtained a quote on such equipment from a Sacramento-area supplier, and has submitted a grant to an external foundation (the Bill Graham Foundation) to help finance it. In addition, more than \$2500

has already been collected from the community to purchase capital equipment of this kind.

Public film and video presentations always require a license from the film or video distributor. Such licenses may involve payment of a flat fee or a percentage of ticket sales. The SCAC has identified distributors with extensive film catalogs that will grant licenses for a very reasonable flat fee as long as no admission is charged (although suggested donations are permitted). It is reasonable to expect that such movie nights could be at least self-supporting and perhaps generate modest revenue. They would certainly be popular in Downieville.

In addition, a lot of quality content is becoming available on video. For example, the Banff Mountain Film Festival World Tour (see Section 4.1) is video-based. Another example is Global Lens (www.globalfilm.org), a San Francisco-based film cooperative that makes a variety of videos available, free of charge, to community groups willing to make a marketing effort and develop a cooperative program with the local schools. In addition, the Patagonia Wild and Scenic Environmental Film Festival (www.wildandscenicfilmfestival.org), which is based in Nevada City, sponsors a touring edition, on DVD, that can be shown locally for a very nominal fee. The SCAC must obtain video projection equipment, however, to take advantage of these and other, similar opportunities.

Finally, over the long term, the SCAC can try to interest film schools and community-based video cooperatives in the Yuba Theatre as a potential venue for film and video festivals. In this regard, the SCAC is interested in working with Downieville School to train high school juniors and seniors as part-time film projectionists and technicians.

4.3. Live Theater

Many, many live theater productions have taken place at the Yuba Theatre in the years since it became an arts venue under the auspices of the SCAC. A large number of these were produced by the Sierra Turnpike Players, a group of local thespians from communities in the Downieville area.

The theater has a small but viable working stage, a working stage curtain, a small but serviceable backstage area, and a fully functional tech booth. While much of the equipment was installed by volunteers and may need to be upgraded over the longer term, the theater is ready *now* to accommodate little theater groups.

The SCAC will work with Downieville School to ensure that school plays and similar events are produced at the Yuba Theatre. In addition, an effort is already under way to reinvigorate the Sierra Turnpike Players and bring them back to the theater. Finally, other live theater groups may be interested in using the theater for occasional performances. One interesting possibility is the Community Asian Theater of the Sierra, which is based in Nevada City and has performed at the Yuba Theatre in the past.

4.4. Other Programming

As discussed above in Section 3.4.2, the SCAC intends to pursue the idea of using the Yuba Theatre as a conference centre in cooperation with local guesthouses and restaurants in Downieville. Having video projection equipment and good-quality screen, to facilitate professional and business presentations, will help in promoting the theater as a venue for this kind of activity.

The SCAC would also like to make the theater available to complement other community events, as a venue for lectures, presentations, and community meetings.



5. Sample One-Year Budget

This sample one-year budget is provided for illustration purposes only and is not an official budget document of the Sierra County Arts Council.

Revenues:

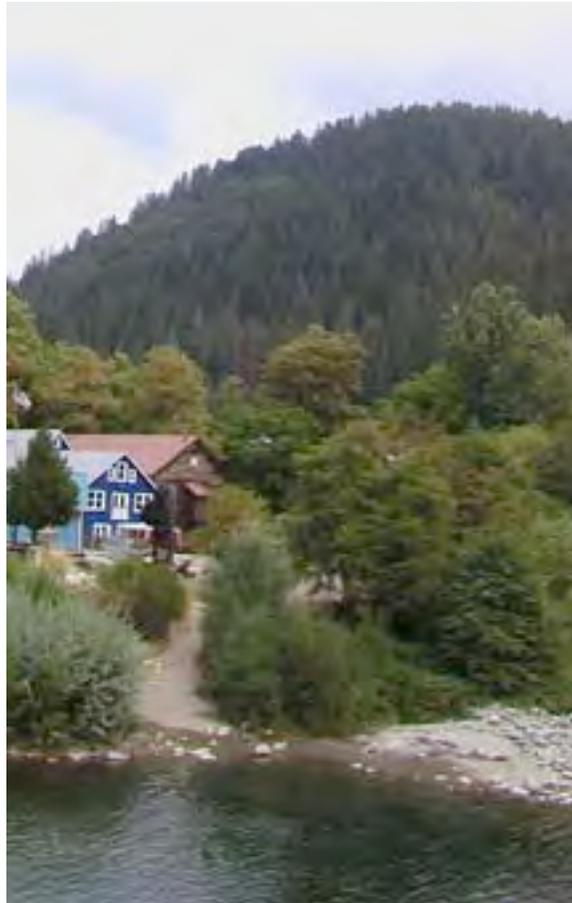
State government (California Arts Council)	12,000.00
Box office	
Video programming	
Banff (3 programs)	7,200.00
Premium video (6 programs)	7,680.00
Other video (8 programs)	4,800.00
Theater concession	2,500.00
Movie nights (12 screenings)	2,400.00
Memberships	10,000.00
Sponsorships	4,000.00
Total	\$50,580.00

Expenses:

Executive Director	25,200.00
Part-time assistance (on call)	4,000.00
Insurance	2,000.00
Marketing + web site	3,000.00
Materials and supplies	2,000.00
Event production	14,380.00
Total	\$50,580.00

Notes:

1. Only a portion of the total California Arts Council grant supports theater operations; the balance goes toward other SCAC programs.
2. It is assumed that Sierra County does not charge rent and provides basic building maintenance.
3. Equipment purchases are accounted for in a separate capital fund and are not included. Equipment rentals are included in “event production.”
4. “Banff” assumes 150 tickets @ \$16.00, per program.
5. “Premium video” assumes 80 tickets @ \$16.00, per program.
6. “Other video” assumes 60 tickets @ \$10.00, per program.
7. “Movie nights” assumes \$200 in donations per screening (40 people with an average donation of \$5 apiece).
8. “Memberships” assumes 200 memberships @ \$50 each.
9. “Sponsorships” assumes 20 sponsorships @200 each.
10. Executive Director is remunerated at \$18.00 per hour, 28 hours per week, for 50 weeks.



6. Conclusions

The Yuba Theatre is a unique and cherished part of cultural life in Sierra County. There is a deep-rooted feeling in the local community that the theater's cultural and artistic role should be encouraged and strengthened. To thrive in a community as small as Downieville, the theater needs a well-developed business strategy. As discussed in this Business Plan, such a strategy should include the following elements:

- First and foremost, the theater should be the cultural focal point for western Sierra County, and be open and available as a living cultural resource for the community.
- The theater should schedule some programming specifically designed to generate operating revenue. Such programming must fit within the artistic, cultural, and community service missions of the SCAC, but should be targeted to audiences with

means who are willing to come to Downieville from outside the community. Such programming will probably focus on the summer months, when the year-round population of Sierra County is supplemented by tourists and part-time residents, but may also be scheduled for “shoulder” seasons when roads are passable but lodging and restaurant capacity is ample.

- During most of the year the theater should be made available to Downieville School and local cultural groups to produce programming specifically tailored to the needs of the local community, under the auspices of the SCAC.
- The SCAC must develop a serious fund-raising capability using modern email and web-based techniques to create a community of Yuba Theatre supporters in Sierra County and elsewhere.

Appendix I

Interviews with Yuba Theatre Owners

Conducted in 2001 by Karen Donaldson
Sierra County Arts Council

1. Interview with Ray Brett

The Yuba Theatre was built in 1940 by a Mr. Vern Shattuck and originally had 272 seats and a 9 by 12 foot screen. It was constructed with 2 by 6 clear heart timber and the roof had a snow load of 16 feet. Mr. Shattuck was a traveling movie projectionist who first showed movies in Downieville at the Memorial Hall, located near the current school buildings, on Tuesdays and Thursdays. The Yuba Theatre was part of a series of movie theaters built and sold by Mr. Shattuck in surrounding communities, beginning with one in Truckee, then Downieville, and including Alleghany, Folsom, Colfax, Calpine, Feather River Inn, Loyalton, Carson City and North Shore Lake Tahoe at Kings Beach. Mr. Shattuck married Ina Tamlin, whose brother was Bill Tamlin, Nevada County Assessor.

The first film shown at the Yuba Theatre was on August 1, 1940. The lobby was beautifully decorated with flowers for opening night and the event recorded on 8mm film, last known to be in the possession of Mrs. Shattuck. Anne Costa as a teenager, later to become Mrs. Ray Brett, ushered at the Yuba Theatre during the summers for the price of admission.

Ray Brett's father was in the hotel business in San Francisco and wanted to make a change. Ray had been in the military during WW II but contracted hepatitis in North Africa and was discharged. Thy came up to Sierra County and first stayed at Bassetts Station for five weeks. Sierra Shangri-La became available and was purchased by the senior Mr. Brett. It was only a lodge and two cabins at the time. Ray worked there during the summers and also for the Forest Service. Ray remembers a lot of social activities in Downieville, and Saturday dances that would last all night: Ray Herrera who was the pharmacist and a piano player would accompany the dances from 9 PM to 2 AM, the dancers would often then put up a collection and he would continue playing until 7

AM. Ray Brett met Anne Costa at such a dance near Christmas of 1943, and they were married in June of 1944.

On October 1, 1946, Ray and Anne Brett bought the Yuba Theatre from Mr. Shattuck. Mr. Brett was the shop and equipment supervisor for Sierra County at the time and would come home from work, eat a quick supper, and then head down to the theater to run the projector. Mrs. Brett was a teacher's aide at the school and shared in running the theater by selling tickets. They raised two daughters, Karen and Kim Elizabeth. During the summer months, films were shown 7 nights per week, and were much appreciated by the tourists. All seats were \$1 and popcorn was 25 cents or "two bits". Sometime later, they found that television hurt the year round business and so the season was primarily mid-June through Labor Day.

In the late 1950s, Mr. Brett changed the exits and put in a big screen: 12 by 30 feet and the best he could buy at the time. This required special cinemascope lenses for the wider screen and the removal of 20 rows of seating. At the same time, the seats were moved to allow for more legroom and thus made the seating more comfortable. The screen was perforated with many tiny holes that allowed the sound to project from the speaker room at the back of the building, through the screen, to the audience for a natural sound. Mr. Brett also changed from carbon arc lamps in the projectors to "mazda" lamps, as they were much safer since many early projectionists suffered from silicosis from the carbon arc lamps.

Mr. Brett found that subsequent-run films were less expensive and avoided the percentage arrangements from the distributors. They would show two films per week like any larger theater, and he remembers that the Clint Eastwood series was especially popular, one being "Fistful of Dollars". Most movies cost \$12.50 to \$17.50 to rent and 40% for the newer ones. The Bretts had a lot of fun with the Yuba Theatre, and really enjoyed all the families that would come to see the featured movie and have some popcorn. They operated the theater for nearly 29 years. Ray had purchased a new sound system for the theater and when his eyesight began to fail, ended up selling it uninstalled, along with the building and the business, to Eben and Betty Smart on August 8, 1974.

2. Interview with Betty Smart

Eben and Betty Smart (Eben Knight Smart III and Elizabeth Bertillion Smart) bought the Yuba Theatre from Ray and Ann Brett and the deed was recorded in Downieville on August 8, 1974. They set about to remodel the theater, but retain the historic fabric of the building – exterior and interior. A partial second story room was built for the projection equipment with a wall and glass window. A sound engineer installed a new sound system and new/used projectors were purchased along with a new light system for the projectors, and rewiring of much of the theater. The theater had 220 seats and the picture and sound system were superb. In 1975, an 1860s rosewood square piano was brought from a family home in Dutch Flat, CA to the theater. From time to time, the piano was played while people were waiting for the show to start.

Rett (Everett Allen) Smart and Knight (Eben Knight IV) Smart and their father Eben were projectionists. Betty operated the popcorn machine and sold tickets. The film was sent by a San Francisco film delivery service to Marysville, and the mailman would bring the film from Marysville to Downieville. The mailman had a key to the theater and would place the heavy cans of film inside the theater. Movies would run for two nights at a time, usually Friday and Saturday. The theater was open in the summer only, although attempts were made to show movies during holidays. The advertising of coming attractions was primarily through posters on the outside of the theater and posters that were delivered once a month to all of the resorts and bulletin boards from Indian Valley to Sardine Lake.

After they discovered that the theater septic tank was located on a long narrow lot next to the theater that was owned by Mr. Fisher, they were able to purchase the adjacent lot from Mr. Fisher in 1974. In addition to the theater parcel and the adjacent lot, they purchased two other adjacent lots from Melvin and Marcella Fisher Ponta.

In the early 1980s, VCRs came to Downieville. Since affordable movies were usually second run, they were often already out on VCR tape. VCRs had a negative impact on the theater business. 1984 was the last summer that the Yuba Theatre operated as a movie theater.

In 1996, the Sierra County Arts Council approached the Smarts to see if they would lease the theater to the Arts Council as a venue for performing arts. Since the theater was originally built and operated as a movie theater, it again underwent changes, and again has become a very important part of the community. It is the only fixed-seat theater in Sierra County. The Yuba Theatre remains a vital part of Sierra County's cultural life.

Appendix II

Job Description, Executive Director

(As Advertised August, 2007)

Executive Director Part Time

The Executive Director is the Chief Executive Officer of the corporation and is expected to position SCAC as leader in Sierra County's artistic and cultural community. The Executive Director serves at the pleasure of the Board of Directors and serves as professional advisor to the Board of Directors, the General Membership, the County Board of Supervisors and other official groups and agencies serving the county. The Executive Director reports to the Board of Directors and is responsible for all material resources belonging to the Board. The position is based in Downieville.

Primary Responsibilities:

- Implement SCAC bylaws, mission, goals and programs.
- Seek and secure grant funding and administer current grants. Seek fundraising opportunities and recommend fundraising activities. Coordinate and participate in fundraising activities.
- Act as chief executive and operating officer. Prepare budgets and monitor financial transactions.
- Develop school and community arts programs.
- Manage staff, consultants and volunteers. With Board approval work with special interest committees.
- Manage the historic Yuba Theatre and direct all functions and operations. Maintain a calendar and publicize coming events. Assist in developing programs for the theater.
- Advertise and maintain regular business hours at the SCAC business office at the Yuba Theatre and maintain all files and records. Purchase supplies and equipment necessary to maintain this office.
- Build and maintain strong public relationships with business, government, school and community leaders. Represent SCAC at community programs and activities and at county, statewide and national meetings.

- Foster and maintain a strong relationship with the California Arts Council, Plumas Arts and other nearby arts councils. Ensure that California Arts Council and National Endowment for the Arts logos are placed on all appropriate material.
- Attend regular meetings of the Board of Directors, as deemed appropriate by the Board. Prepare written monthly Executive Director's report to be presented to the Board.

Appendix III

Mission Statement of the Sierra County Arts Council

As Adopted By the Board of Directors

The mission of the Sierra County Arts Council is to enrich lives and provide artistic opportunities by inviting all people to share in artistic creation, expression, and education. Sierra County Arts Council's purpose is to promote, support, and advocate culture and the arts for both residents and visitors of Sierra County through regional collaboration and as the designated local arts agency of the California Arts Council's State Local Partnership Program.

Appendix IV

Sierra County Arts Council Board of Directors and Advisory Board

As of October 2007

Board of Directors

President: Betty Smart (Sacramento and Goodyears Bar) – since 2004

Treasurer: David Scott, Ph.D. (San Francisco and Downieville) – since 2006

Secretary: Feather Ortiz (Goodyears Bar) – since 2005

Member at Large: Mary Johnsen (Downieville) – since 2007

Advisory Board

Eunice Banks (Grass Valley) – since 2001

Charles Durrett (Nevada City) – since 2002

Scott McCallum (Sierra Brooks) – since 2003

Ingrid Larson (Downieville) – since 2005

Carine Radspinner (Pike) – since 2005

Richard B. Johnson (Oakland) – since 2006

Ela Robertson (Pike) – since 2006

Jerry Pompili (San Anselmo and Downieville) – since 2007

Will Clark (Downieville) – since 2007