

CITY OF ST. AUGUSTINE

City Commission Workshop Meeting July 26 2006

The City Commission met in a workshop session Wednesday, June 26, 2006, at 9:00 a.m. in the Alcazar Room at City Hall. The meeting was called to order by Mayor George Gardner, and the following were present:

1. Roll Call:

George Gardner, Mayor/City Commissioner
Susan Burk, Vice Mayor/City Commissioner
Joe Boles, City Commissioner
Donald A. Crichlow, City Commissioner
Errol D. Jones, City Commissioner

Staff:

William B. Harriss, City Manager
Karen Rogers, City Clerk
James P. Wilson, City Attorney
Timothy A. Burchfield, Chief Administrative Officer
Paul K. Williamson, Director, Public Affairs
Dr. William Adams, Director, Heritage Tourism
Susan Goins, Recording Secretary

2. Presentation by Kathleen Brown of Altelier regarding a business plan for the Spanish Quarter Museum.

William B. Harriss, City Manager, summarized that the Commission suggested that the city examine the operations of the Spanish Quarter Museum. He stated that the museum had been an ongoing improvement opportunity for the last thirty years and currently they were trying to determine how to make the museum a success. He said that they selected Altelier to perform an analysis of the museum operations because of their expertise in the field. He said that Altelier completed an analysis with specific operations and conclusions; therefore, the Commission requested a workshop to discuss the specifics. He pointed out that in terms of improvements the main issue had been lack of money. He introduced Kathleen Brown of Altelier to present their findings.

Mrs. Brown introduced the Altelier group:

- Chris Brown, Altelier – Altelier conducted over 200 projects for museums across the country and they

consulted for institutions as large as South Africa's Freedom Park.

- Kurt Bowman, Hughes Bowman Design group – One of the top design people residing in St. Augustine and and he was familiar with the city
- Robert Lieber, Retail Consultant – Executed some of the most successful retail programs in the non-profit environment

Mayor Gardner asked each audience member to introduce themselves.

Mrs. Brown stated that the report had been the result of a first phase assessment. She stated that there were five primary elements and referred to the following:

- Market and Contextual Assessment - looked at the market place for heritage tourism in St. Augustine, looked at reports produced in the past, conducted economic impact analysis, heritage tourism assessment, contextual comparisons of historical organizations in St. Augustine and throughout Florida

- Visitor Experience Assessment - focused on the quality of the product at the Spanish Quarter Museum
- Operational Assessment – looked at performance, financing, revenue streams, funding and compared operations to other organizations
- Retail Assessment – reviewed the performance of the Department of Heritage Tourism's retail operations
- Recommendations Summary – next steps to be taken

Mrs. Brown pointed out that the competition for museums had increased resulting in a slow decline in attendance for many institutions including the Spanish Quarter Museum and other major living history attractions. She added that institutions had to re-invent themselves and improve their programs due to the competition.

Commissioner Boles stated that their goal had been to have a successful operation, and he questioned whether they needed to clarify their mission statement.

Mrs. Brown replied that the mission statement could be improved. She added that some museums reviewed their mission statement on a regular basis to ensure that their original intent was still valid and the programs were related to their mission.

Commissioner Boles asked for clarification as to the term living history.

Mrs. Brown responded that it was an institution whose primary program delivery had been face to face visitor interaction with the presenter having historical persona whether in first or third person perspective.

Commissioner Boles asked what the cost had been in comparison with other types of museums.

Mrs. Brown replied that living history museums had been the most expensive form due to labor costs. She indicated that every time the primary interface had been between the visitor and staff there would be higher

labor cost. She added that there might be incremental cost in training, costuming and the context and environments that interpreters were in, because they needed to perform research to ensure that the representation would be historically accurate.

Commissioner Boles asked for clarification as to the decline in museum attendance.

Mrs. Brown responded that the reason for the declines were complex and referred to the following:

- Competition for attention
- Access to history programs on television
- Tourism trends
- Driving and gas prices

Mayor Gardner stated that it was his understanding that heritage tourism had been growing as a form of tourism, and he questioned whether that was true.

Mrs. Brown replied affirmatively and referred to the following:

- Definition of heritage was becoming broader
- Socioeconomic and demographic characteristics that were driving the trend

Mayor Gardner commented that tourists visited St. Augustine for the charm of the city. He pointed out that in terms of the rising gas prices, the greatest volume of people traveled a 150 mile radius.

Commissioner Boles stated that the majority of people that walk down St. George Street never visited the Spanish Quarter Museum and he wanted to encourage visitors to acquaint themselves with the museum.

Mrs. Brown referred to the following issues:

- Visibility - the street presence for the Spanish Quarter Museum was non

distinct and it was difficult to find the entrance

- Marketing - they could not find the Spanish Quarter Museum on tourist maps and there had been a low investment in paid advertising compared to other properties in the community

She added that the quality of the visitor experience in the museum had been poor. She said that tourism professionals in the community reported that they heard negative feedback about the Spanish Quarter Museum. She pointed out that the interpreter staff per visitor ratio had been low compared to other cities.

Commissioner Boles stated that the City had inherited the museum model from the State of Florida, and he pointed out that it cost the state \$700,000 annually to run the museum. He said that when the City took over the museum they did not receive the \$700,000 annual funding from the state. He commended the City Manager because running the museum cost the City \$200,000 annually.

Mrs. Brown stated that the Spanish Quarter Museum performed well under some areas such as revenue and sustaining itself. She said that if the city wanted to continue to sustain a living history model they needed to reinvest; however, when they looked at the national trend other organizations that had been successful in the past were suffering as well. She added that some organizations experimented with innovations and performance theater. She stated that most of the projects that continue to use living history received large endowments or were funded by the government. She suggested using living history staff in episodic modalities.

Commissioner Boles asked for clarification of the city choices.

Mrs. Brown referred to the following modalities:

- Person to person delivery
- Text panel (signs)
- Interactive modalities (computer screen)
- Pod cast (download something that had been broadcast over the internet)
- Audio interpretive models

Mr. Bowman stated that if they went back to the pure model, they truthfully had a hybrid because the interpreters spoke in English. He said when interpreters were in a reenacting mode, they gave visitors a sense of what it had been like during that time period. He added that interpretation got visitors as close as possible to the time period; however, the cost and wear and tear on individuals was an issue. He suggested videos that came from a reenactment. He explained that a visitor could walk into an area in the museum and suddenly a person would come on the screen and tell them a story that explained life in the city 400 years ago. He added that there were ways in which technology could enhance the museum without intruding upon the living history interpreters.

Commission Crichlow said he envisioned a visitor entering the Spanish Quarter Museum proceeding along and watching an interaction takes place at the blacksmith shop. He stated that it could be interpretative by using conversation that would have occurred during that time period. He suggested that it could be done in several ways such as the interpreters interacting with the audience. He stated that they could have various scenarios that took place every few hours.

Mr. Bowman stated that some of those programs had been done earlier; however, they had been discontinued for the reasons that had been stated.

Commissioner Crichlow questioned whether that was a viable approach to improving museum operations. He suggested that they change museum programs to encourage visitors, because he thought audio tapes were boring.

Mr. Bowman pointed out that museum programs were based on the creativity of the people designing them and not technology. He suggested that all program presentations interconnect because it encouraged visitor participation.

Mrs. Brown stated that museum theater had been around for a long time and it was used successfully in a variety of museum settings. She pointed out that it was prominent in science centers and children's museums as a means of interpretive expression and engaging visitors. She said in the historic context there had always been a piece of theater in living history. She added that museums needed to invest in the development of scripts and scenarios to ensure that they were historically authentic and accurate.

Commissioner Boles questioned whether institutions that invested in additional staff had a volunteer program.

Mrs. Brown responded that the volunteer base of the past had declined due to shifts in socioeconomic demographics. She pointed out that volunteers were harder to manage than paid staff due to training, attendance and monitoring. She added that it was a rare program that could have a volunteer base and have consistent powerful messages on a daily basis.

Dr. Adams stated that ten years ago under the state they had a paid volunteer coordinator, a historian and two curators. He said that all of those positions were eliminated when the city took over the program and that just left interpreters. He added that there was no one to direct them, change the scripts, etc. He reported that in the past year they assigned the volunteer program to Catherine Culver, Marketing and Events Coordinator, and there had been progress in the area.

During a brief discussion Ms. Culver reported the different modifications that had been made to improve the visitor experience,

increase attendance and revenues at the Spanish Quarter.

Commissioner Boles pointed out that they no longer had a Spanish Quarter Museum manager and he questioned whether anything was included in the vision about personnel decisions and was that relevant depending on there philosophical direction.

Mrs. Brown replied affirmatively and added that after they went through the issues, there were different skill sets needed depending on the direction the institution wanted to pursue. She said that the improvements made by Ms. Culver were positive; however, there was an identified problem. She said there had been negative word of mouth about the attraction and people wanted refunds for tour packages that included the Spanish Quarter.

Commissioner Burk said that it was her understanding that an interpretive historic museum was no longer economically viable. She added that it seemed as though tax payers would have to pay for it if the money would not come from other sources.

Mrs. Brown pointed out that all museums required operating subsidies. She said that there were very few museums nationally that met their operating budgets on the basis of earned revenue alone. She added that the four main sources of income for museums were:

- Earned revenue
- Contributed sources
- Government funding
- Endowment proceeds

Mrs. Brown presented a chart analysis that detailed a culmination of funding streams that were essential to the survival of a museum. She suggested that organizations diversify their revenue streams so they would not be vulnerable. She added that she was surprised that the city was on a five year term lease with the state.

Commissioner Boles questioned whether the short term lease would impact on the ability to raise money.

Mrs. Brown said for organizations that did not own property it was difficult to get other types of funding. She added that there would be no incentive to invest because the city might not have the property in five years. She stated that they needed a clear holistic vision for St. Augustine's heritage product to set a course for the development of the Spanish Quarter Museum. She stated that the Spanish Quarter Museum was important to the city, because it was one of the few authentic heritage tourism assets the city had. She added that heritage tourism assets were a large part of the economy.

Commissioner Boles questioned whether the Spanish Quarter was large enough considering it had been a representative of a village living area. He questioned whether they should bring the living history aspects into the street or keep it inside so the experience was different when visitors stepped inside the museum.

Mrs. Brown responded that the property size was adequate; however, it was under utilized. She suggested theatrical episodic type of reenactments or living history theater that could pull people in and out. She added that they could forgo admission revenue because that was only 16% of the total revenue stream and with an improved retail program and other types of pay for play programs they could overcome the 16% or possibly more.

Commissioner Boles asked for clarification as to the statement that the institutions that were most successful at attracting visitors were also successful with attracting and engaging residents.

Mrs. Brown replied that after the terror attacks on September 11, 2001 the institutions with the most successful operations had programs in place; therefore, the resident base had been higher. She pointed out that there were no programs in

place at the Spanish Quarter to engage the residents. She said that it was her understanding that residents did not care about the Spanish Quarter and that affected business because residents usually recommended activities to out of town guests.¹

Mayor Gardner stated that they took over management of the state properties and they were on a short lease. He added that he was not concerned and he did not know if the bank would be concerned about the fact that they were only leasing the property. He pointed out that the state did not want to have to worry about the property; however, they did not want to relinquish it. He stated that since they had the properties, they had weaned themselves off the inherited leases with automatic options to renew which prevented them from having real control over the situation or the presentation. He stated that it was his understanding that at the next lease renewal there would be no options and the city could start over. He stated that it would enable them to inject their vision into the properties as a part of the ambiance of St. George Street.

Mayor Gardner opened the microphone to public comments. He asked Dana Ste Claire and Rob McColi from Ripley's Believe it or Not, for suggestions about bringing in visitors and a good vision for the Spanish Quarter.

Dana Ste. Claire, National Director, Historic Tours of America, - referred to the following:

- Increased number of complaints about the product
- Teachers had requested that the Spanish Quarter Museum not be added to tour packages
- There was a program content deficiency
- There were organizations that would be interested in running the museum

¹ End of tape 1

- They could partner with the University of Florida, which he thought was the best solution
- Research the needs of visitors

Rob McCauley, Ripley's Believe it or Not, - referred to the following:

- Third party ticket sales had decreased due to the parking garage
- The Spanish Quarter Museum visitors had requested refunds²

Glen Hastings, - referred to the following:

- Businesses must know what the customer expected
- Recommended examining the mission statement

Commissioner Burk stated that they needed to know how long they were going to have the properties before they invested too much money.

Mr. Harriss stated that the analysis by Altelier was not to bad mouth staff. He said that he was aware that their creative ideas were held back due to budget restraints. He pointed out that some of the suggestions by Altelier had been previously suggested by staff; however, the budget prevented them from moving forward. He said that they would like to change the programs because he did not want visitors to enter the museum and leave disappointed with the product. He said that since living history museums did not pay for themselves it was hard to suggest that the general fund and tax payers invest into the program when they would not get the money back. He stated that they had to figure out if they had an obligation to provide the public with a cultural look into St. Augustine and if so, should they invest tax payer money for that purpose.³

Mayor Gardner stated they hired Altelier to suggest ways to generate revenue for the

Spanish Quarter Museum. He stated that they could invest and have Altelier to move onto the development part of the process; however, there was no quick fix. He stated that their goal was to achieve the heritage presentation of St. Augustine.

Commissioner Boles stated that they should give the things that they were working on a chance to cultivate because money was an issue.

Mrs. Brown stated that the most important thing was to define a holistic vision.

Commissioner Boles stated that the holistic vision was dependent upon feedback of what the visitor wanted. He reiterated that it would take time and there was no quick fix.

Mayor Gardner asked Mrs. Brown for clarification as to what her vision statement would be.

She replied that the most important thing was to keep in mind that the Spanish Quarter Museum was part of a bigger product. She added that it was a big vision that was important to the economy of the community.

Mayor Gardner stated that the name museum did not attract some people, and he thought about a name change to the Colonial Spanish Quarter.

Mrs. Brown stated that there was a love hate relationship with the word museum because some people saw them as boring, educational and others saw them as interesting. She said they had to investigate how visitors reacted to the word.

There being no further business, the meeting was adjourned at 11:30 a.m.⁴

² Commissioner Crichlow left the meeting

³ Commissioner Burk left the meeting

⁴ Transcribed by Susan Goins, Recording Secretary

MAYOR

CITY CLERK