



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

AGENDA

Columbia Gateway Urban Renewal Agency

City Council Chamber

313 Court Street, The Dalles, Oregon

Meeting Conducted in a Handicap Accessible Room

Monday, September 8, 2014

Immediately Following the City Council Meeting

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF AGENDA
- IV. AUDIENCE PARTICIPATION

During this portion of the meeting, anyone may speak on any subject which does not later appear on the agenda. Five minutes per person will be allowed. If a response is requested, the speaker will be referred to the City Manager for further action. The issue may appear on a future meeting agenda for Agency Board consideration.

- V. APPROVAL OF MINUTES
 - A. Approval of July 28, 2014 Regular Meeting Minutes
- VI. ACTION ITEMS
 - A. Approval of Amendment to the IOOF Urban Renewal Grant
 - B. Approval of Proposal for Elks Club Building Redevelopment and Marketing Study Assistance
- VII. ADJOURNMENT

MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
REGULAR MEETING
OF
JULY 28, 2014

CITY COUNCIL CHAMBER
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Chair Steve Lawrence

AGENCY PRESENT: Bill Dick, Carolyn Wood, Dan Spatz, Tim McGlothlin, Linda Miller

AGENCY ABSENT: None

STAFF PRESENT: City Manager Nolan Young, City Attorney Gene Parker, City Clerk Julie Krueger

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 8:25 p.m.

ROLL CALL

Roll call was conducted by City Clerk Krueger; all members present.

APPROVAL OF AGENDA

It was moved by Wood and seconded by McGlothlin to approve the agenda as presented. The motion carried unanimously.

AUDIENCE PARTICIPATION

None.

APPROVAL OF MINUTES

It was moved by Wood and seconded by Dick to approve the minutes of June 9, 2014 regular Agency meeting. The motion carried unanimously.

ACTION ITEMS

Request by Northern Wasco County Parks & Recreation District for Funding to Construct the Swimming Pool

City Manager Young reviewed the staff report.

Parks and Recreation District Board Member Nikki Lesich and Architect Mark Seger provided an update on the time line for construction of the swimming pool. Mr. Seger said the project was now moving forward quickly with fencing having been installed and pre-construction work starting. He said the first phase, including permits, preparation work and demolition, would be receive bids on August 6, with a contract awarded just a couple of days after bids opened. He said the second phase for the remainder of the work would be awarded early September with work would continuing on through the year. He said the expected opening of the new facility was Memorial Day, 2015.

Mr. Seger explained the proposed splash park would replace the current wading pool. He said funding assistance from Urban Renewal would help to install a large slide and climbing wall and said the existing playground equipment would remain at the park.

McGlothlin questioned why it had taken such a long time to get the bids out for the project. Seger said the project that was approved by the voters needed to be designed and engineered. He said there were many unknown factors and the process had moved forward slowly. Seger noted the contract was in the style of Construction Manager/General Contractor.

It was moved by Wood and seconded by Spatz to approve the request of \$220,000 for Northern Wasco County Parks & Recreation District Thompson Pool Project alternate features to include a slide, climbing wall, shade and other enhanced landscaping if current project funding is not sufficient to pay for the cost of those projects, pending the adoption of the Thompson Pool Project into the Columbia Gateway Urban Renewal Agency Plan through a minor amendment.

Chair Lawrence said this request appeared to be for additional features, not originally approved by the bond measure. He said he was concerned about depleting opportunity project funds and didn't think the District should ask for more than what the bond approved. He asked if the District also planned to use funds from the Enterprise Zone fees toward construction of the facility.

City Manager Young said it had been stated at the Advisory Committee meeting that the District had always intended to have the requested improvements, but that costs were increasing and they may not have enough money to install all the features.

District Board Member Lesich said the amenities were always planned. Chair Lawrence asked if the amenities had been included in the bond measure. Lesich said some had been and others had not because the entire project was undefined at that time.

City Manager Young said Parks and Recreation District Manager Green had told the Urban Renewal Advisory Committee that they were approximately \$350,000 short and anticipated using \$100,000 of the funds from the Enterprise Zone agreement, \$30,000 from an aquatic group, and requested \$220,000 from Urban Renewal.

Chair Lawrence asked how Urban Renewal would fund the request if property sales didn't occur as planned, to use for the projects. City Manager Young said the Urban Renewal Agency had the ability to borrow up to 1.3% of its annual tax revenue if needed and it could be repaid with future revenue and payments made from property sales.

Lawrence asked if an amendment to the Plan was required. City Attorney Parker said the Plan would require a minor amendment to add the project.

The motion to approve the request of \$220,000 for Northern Wasco County Parks & Recreation District Thompson Pool Project alternate features to include a slide, climbing wall, shade and other enhanced landscaping if current project funding is not sufficient to pay for the cost of those projects, pending the adoption of the Thompson Pool Project into the Columbia Gateway Urban Renewal Agency Plan through a minor amendment was voted on and carried unanimously.

Update Regarding Granada Block Redevelopment Project

Michael Leash provided booklets of the Granada Block hotel and redevelopment floor plans and area breakdown. He also provided copies of letters concerning financing of the project. He reviewed the information and provided a PowerPoint presentation. It was noted they planned to apply for the Hilton Gardens process in 30 to 45 days. Leash said a lot of progress had been

MINUTES (Continued)
Urban Renewal Agency
July 28, 2014
Page 4

made. Jens von Gierke said they were on schedule to have financing in place by the end of the year.

ADJOURNMENT

Being no further business, the meeting adjourned at 9:32 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:

Stephen E. Lawrence, Chair

ATTEST:

Julie Krueger, MMC, City Clerk

**Columbia Gateway Urban Renewal Agency Advisory Committee
Meeting Minutes**

Tuesday, July 15, 2014

5:30 PM

City Hall Council Chambers

313 Court Street

The Dalles, OR 97058

Conducted in a handicap accessible room.

CALL TO ORDER

Acting Chair Kramer called the meeting to order at 5:01 PM.

ROLL CALL

Members Present: Steve Kramer, Jennifer Botts, Robin Miles, John Nelson, Linda Miller

Members Absent: Chris Zukin, Gary Grossman, Greg Weast

Staff Present: City Manager Nolan Young, Administrative Secretary Carole Trautman

Others Present: Economic Development Specialist Dan Durow

PLEDGE OF ALLEGIANCE

Kramer led the group in the Pledge of Allegiance.

APPROVAL OF AGENDA

It was moved by Nelson and seconded by Botts to approve the agenda as submitted. The motion carried unanimously; Zukin, Grossman, and Weast absent.

APPROVAL OF MINUTES

It was moved by Botts and seconded by Nelson to approve the June 17, 2014 minutes as submitted. The motion carried unanimously; Zukin, Grossman and Weast absent.

PUBLIC COMMENT

None

ACTION ITEM – Business/Development Proposal for Downtown

Economic Development Specialist Dan Durow highlighted the staff report and introduced David and Kirsten Benko, presenters of the downtown business development proposal. Durow said the primary proposal was the acquisition of the Elks building with a primary activity of a neon sign museum. Durow gave a brief history of the status of the Elks building and pointed out it had been suggested in the past that structural repair, coupled with other operations and upstart costs,

could possibly total approximately 1 million dollars. He said to start a business in this structure would be a monumental task.

Botts asked if the building was still in private ownership and if so, who would be responsible for repairs. Durow indicated that had not been discussed at this point because the potential developers were only proposing marketing and feasibility studies at this time.

Durow explained that a marketing study of the building could have a useful purpose beyond this proposal, and the feasibility study would be more specific to this proposal. The next phase would include engineering, archaeological, and environmental studies.

Nelson asked what UR funds were available for the proposal. City Manager Young said the funding could fall under the property owner rehabilitation budget category with approximately \$288,000 available.

David and Kirsten Benko gave a PowerPoint presentation of the proposed project (Attachment 1). Mr. Benko said he took a good look at the downtown area approximately two months ago and saw the potential of for a neon sign museum at the Elks building. He said the concept would be similar to the structure's past use that could include a ballroom on the top floor, and the main floor and basement to include a combination museum/exhibit space and a café/coffee shop. Mrs. Benko stated that she worked previously at the Portland Art Museum as a community events coordinator. She pointed out that she and David were not just interested in bringing their business to a community, they would also be invested in the community. Their intent would be to field the community comments on what needed to be done with the structure and the business development, she said. Mr. Benko summarized the nature of his sign collection and said he would be open to eventually developing a trade school.

Botts emphasized that there were other non-profit agencies and business developers in the area that were struggling for funds such as the Discovery Center, the Civic Auditorium, the Granada Block Developers, etc. She encouraged the Benkos to make contact with these groups to get a concept of the development market of the community. Botts asked Mr. Benko what he could bring financially to sustain the business. Mr. Benko said he felt the uniqueness of the project would bring people to the community and sustain the business.

City Manager Young asked Mr. Benko what would be entailed in the marketing study. Mr. Benko indicated his business associate could best answer those questions; he was not present at the meeting. Young suggested the Advisory Committee members could request more information on the details of the marketing study, possibly give input on what the Committee would like to see included in that study, and discuss the study details at the next URAC meeting.

Miller said she thought it was an appealing project. Miles stated she believed the project would draw in Hood River tourists. Nelson said he thought the project was a good fit. He liked the concept of incorporating an historic building into the project. Kramer asked if their business was non-profit or for-profit. Mr. Benko said it was for-profit, but a 501C3 status had been discussed in the past for the museum portion of the project. He indicated he would be open to pursuing that

again. Miller said she appreciated that part of the vision was to use the facility as an educational tool. Botts stated she thought it was a great idea and she re-emphasized that the Benkos should become acquainted with the community partners—more specifically what they are up against in funding endeavors. Durow said some of that type of information would be part of the marketing study.

After further discussion, it was the general consensus of the Advisory Committee to have the Benkos gather more information on the nature of the marketing and feasibility studies, talk amongst community partners in The Dalles, and schedule a future date for Benkos and their business associate to return to discuss the studies in detail.

ONGOING URBAN RENEWAL PROJECTS UPDATE

A. Granada Block Redevelopment Project – Michael Leash

- A prominent hotelier is coming to town July 28. Rapoza has a signed confidentiality agreement with the hotelier.
- Another hospitality group is interested in coming to look, and they are working on the confidentiality agreement.
- Work continues on acquiring equity partners.

B. Non-Profit Property Owner Rehabilitation Grants
No new report.

C. Other Projects

Young stated that the Agency would be considering the N. Wasco County Parks and Recreation District's request for funding on July 28.

Acting Chair Kramer encourage Committee members to recruit new members for the two vacant Committee positions. City Manager Young advised Committee members that they could take their suggestions to City Clerk Krueger or Mayor Lawrence. The positions are appointed by the Mayor.

FUTURE MEETING – August 19, 2014

ADJOURNMENT

Acting Chair Kramer adjourned the meeting at 6:48 PM.

Respectfully submitted by Administrative Secretary Carole Trautman.

Steve Kramer, Acting Chair



OPEN FOR BUSINESS

Rocket City Neon opened its doors to business in Seattle, WA in 1988.

Founded by David Benko, a Washington resident, student of film and photography, lifetime antique collector and curator.

neon

WATCH. WORK. DISPLAY.

Collecting, art, and work careers collided.

A natural 'people person', David's enthusiasm and desire to educate and share his vast historical knowledge of the advertising and sign industry resulted in an irresistible combination.

Bending glass is fascinating and people love to watch. It inspires one to look, learn, and share a piece of history.



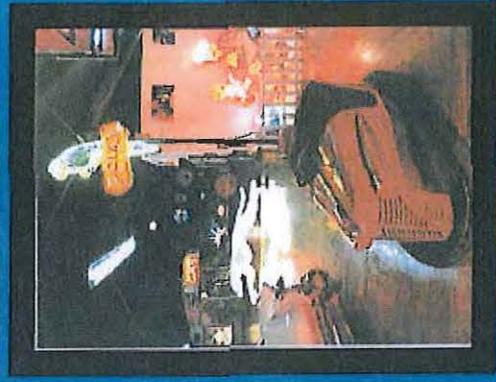
Ron Cole, former owner of Ace Neon stated, "When David was bending glass for me, if I was on the phone while a customer came in, I would motion for them to watch him work in the fires. When people watched him work, and listened to him share, it always sold a sign."

neon

JOINING FORCES

In 1994 Rocket City Neon relocated to Camas, Washington for centrality to the Pacific NW sign and collector market.

Moving into a 6500 sq. foot showroom, and eventually transforming it into a reception hall, they proudly shared their love of antique signage and advertising with travelers and residents.



neon

IN THE NEWS

From its inception, the Sign and Advertising Museum, as well as the Reception Hall drew the attention of the media. Newspapers and TV from all over the Pacific NW came to relive the days when gas was 22¢ per gallon and milk was delivered to your front door.



neon

WORLD CLASS SIGNS

Rocket City is more than a world class sign museum. In conjunction with their passion for the history, art and science of the industry, they design and fabricate some of the Northwest's most unique and iconic signs. With a focus on classic design, and individual quality construction, Rocket City signs are one of a kind.



neon

WHY THE DALLEES?

Rocket City desires to join and invest in a community that has common endeavors to grow and support local business.

Community is based on relationships, and Rocket City wants to be part of a region that desires to thrive, and work together to bring life to each business, in every economy; prosperous or struggling.



moon

STATISTICAL REPORTS

According to ODOT's 2012 reporting, more than 7 million cars pass by The Dalles exits annually.

Half of these travelers stop in the Gorge area, spending approximately \$40-\$226 per person. If a modest 1% additional, of the total passersby, stopped in The Dalles, this would increase revenue anywhere from \$3 to \$16 million.





neon

SUPPORTIVE ATTRACTIONS

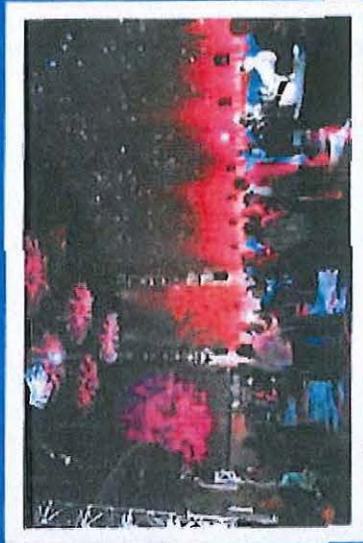
- **WAAM** is one of the largest collections of operational antique aircraft in the country, and is a precursory draw for the nostalgic and historian.
- **Columbia Gorge Discover Center** bolsters an impressive tourist attraction for the novice and expert, presenting an overview of the historical and geological natural life of the Gorge.
- **Sunshine Mill Winery, The Dalles Dam, St. Peters Cathedral** and **Fort Dalles Museum** all offer an eclectic variety of family friendly attractions and activities locally.
- **The Portland Spirit** offers scenic cruises from Cascade Locks to The Dalles daily during the summer months; docking walking distance to downtown.

neon

DIVERSE COMPARATIVES

Projects like *City Museum*, an eclectic experience of art and oversized mayhem began as a small operation in the slums of St. Louis. With 300,000 guests the first year, 700,000 the second and today has expanded its project and attraction to more than 1 Million annual visitors.

Seattle's *Experience Music Project* reports approximately 1.2 million paid visitors annually.



neon

WHAT WE OFFER

Rocket City offers its collection to become part of the ambiance of The Dalles. Situated to display a family friendly, interactive and fresh approach to a world class museum.

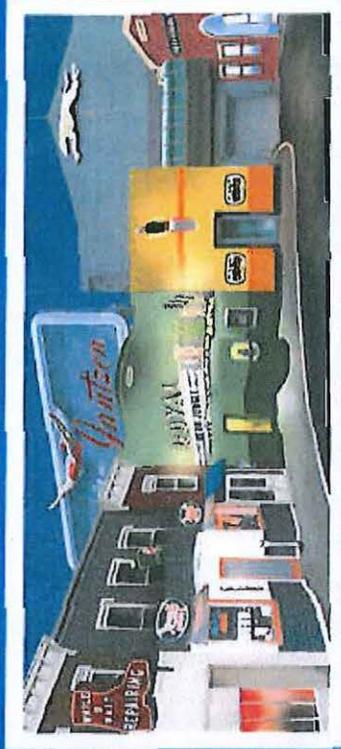
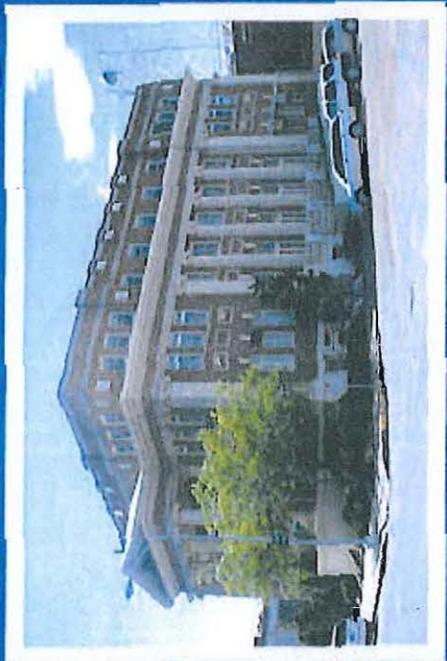
ICONS collection would include colorful and dynamic vintage signage and advertising, historically relevant ephemera and fabricating machinery, as well as modern art.



neon

OUR VISION

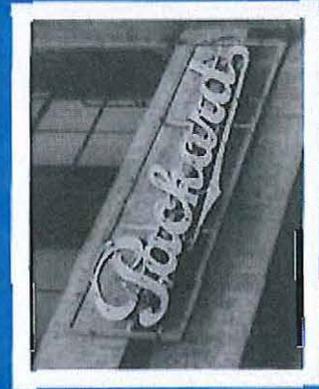
Rocket City, plans to preserve one of The Dalles outstanding and historical buildings, while at the same time providing a venue to increase tourism and capital for all businesses in the region.

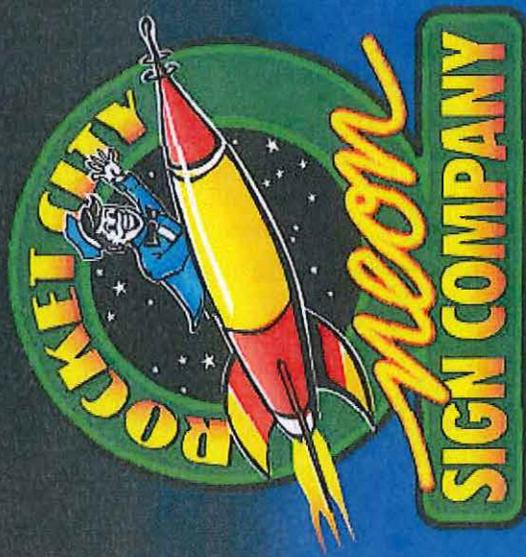


moon

ESTABLISHING A PLAN

Rocket City is seeking to engage with a community that can facilitate the necessary analysis and location of financial resources, to augment our personal efforts and assets in bringing the ICONS Museum to life.





NEON
SIGN COMPANY

THANK YOU

AGENDA STAFF REPORT

URBAN RENEWAL AGENCY

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
August 19, 2014	Action Item	

TO: Urban Renewal Advisory Committee

FROM: Nolan Young, Urban Renewal Manager *NY*

DATE: August 1, 2014

ISSUE: Amendment to Independent Order of Odd Fellows Project Grant

Attached is an update from Main Street Director Matthew Klebes regarding the current status of the Independent Order of Odd Fellows project. The first page shows the status of grant applications, with funds currently available (\$26,700). Also attached is a revised work plan, showing the use of funds.

Without additional grant funds the following items will not be completed:

Awning removal and replacement	\$17,803
Transom window restoration (south elevation)	\$15,497

The request is being made to proceed with the revised work scope.

BUDGET IMPLICATIONS: The request does not increase the \$10,000 committed to this project.

AGENCY ALTERNATIVES

1. Move to recommend to the Agency to maintain the grant amount at \$10,000 with this revised work scope as outlined.
2. Move to recommend to the Agency add additional Urban Renewal funds to the grant to allow for completion of the original work scope.



thedallesmainstreet.org

Independent Order of Odd Fellows Project Update

Grant	Approved/ Denied	Request Funds	Amount Awarded	Reason Denied
“Diamonds in the Rough,” State Historic Preservation Office	Partially Approved	\$19,401.50	\$6,700.00	The transom window and marble work will bring back hidden features, the awning is already present. Limited grant funds. Grant funds can only go to work that can be completed.
“Preserving Oregon,” State Historic Preservation Office	Denied	\$10,598.50	0.00	Total amount in grant funds was 97,000.00. Total amount in requested funds from around the state 617,000.00. Building not in critical shape compared to other buildings around the State
Economic Development Grant, Wasco County PUD	Denied	\$10,000.00	0.00	The Dalles Main Street is not the owner of the IOOF building.
Urban Renewal Agency	Approved	\$10,000.00	\$10,000.00	

Total Grant Funds Awarded: \$16,700.00
Property Owner Funds: \$10,000.00
 Total Funds Currently Available: \$26,700.00



thedallesmainstreet.org

Revised Work Plan

We will remove the awning (\$17,803.00) and transom window restoration on the South elevation (\$15,497.00) from the project.

Total reduction in budget: \$33,300.00.

We will complete Phase II of D&R Masonry’s Scope of Work and transom work on the East elevation to fulfill grant requirements.

Summary of Revised Proposed Work

Scope of Work South Elevation Phase II:	\$25,323.00
<u>East Transom window:</u>	<u>\$1,377.00</u>
Total Cost	\$26,700.00

Details

Scope of Work South Elevation Phase II

(This work will take about 3 – 4 weeks to complete)

- Removal and replacement of broken or missing masonry units a total of an estimated (32) units: **\$ 864.00**
- Re-set the top (8) courses as needed above the metal cornice an estimated 140 sq ft: **\$3,500.00**

Scope of Work (Tuckpointing)

- Remove up to 25 % of the building’s mortar joints from just under the metal cornice to just below the first dental detail about 17.5 ‘ up from the side walk an estimated 226 sq ft: **\$3,277.00**
- The mortar will be removed to a depth of ¾” or until sound mortar is reached.
- Clean the joints to remove the dust from the removal process
- Install new mortar into the joints that have been prepped. This will be done using the hawk and tool method and not a squeeze bag. This process will ensure that the mortar is packed in and not “shelled”
- Clean the new mortar after the mortar has properly cured. Again we will provide mortar samples that will be reviewed and approved by others.

Scope of Work (Repaint the wood frame windows and doors and seal the perimeters with new sealant)



thedallesmainstreet.org

- Scrape and sand the existing wood to remove any remaining paint.
- Prime and seal the wood.
- Apply (2) coats of exterior paint on the wood.
- Place new sealant around the perimeters of the wood frame windows.

Paint:	\$1,922.00
Sealant:	\$ 652.00

Scope of Work (Clean and paint metal cornice)

- Clean the metal cornice.
- Paint with new paint: \$ 812.00

Scope of Work (Clean and Seal the masonry)

- Clean all the masonry from the top of the building to the bottom. This will be done with pressure washer using hot water.
- Apply clear penetrating sealer to all the masonry that has been cleaned. The product that will be used is Prosoco WB Concentrate. See attached product data sheet. Clean all windows once the water repellent has been applied: \$3,438.00

Scope of Work (Remove the paint from the marble base, basalt blocks, brick columns on either side at the South elevation)

- Protect the adjacent areas.
- Strip the paint using paint stripper.
- Contain the stripper and the paint.
- Bag the debris and dispose of properly: \$4,126.00

- This includes access to the work using a man-lift and swing stages: \$6,732.00

Total estimated cost for East Elevation: \$25,323.00

AGENDA STAFF REPORT

URBAN RENEWAL AGENCY

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
September 8, 2014	Action Item	

TO: Urban Renewal Agency

FROM: Nolan Young, Urban Renewal Manager *ny*

DATE: August 25, 2014

ISSUE: Elks Building Redevelopment Proposal, Request for Marketing Study Assistance

BACKGROUND: Dave and Kristen Benko are in the process of considering the acquisition of the former Elks building for a multi-purpose business. At the Urban Renewal Advisory Committee meeting (URAC) meeting last month, the Benkos presented information about their vision for the building and business ideas. They asked for assistance with some of the upfront studies necessary for addressing the redevelopment issues. The URAC felt they needed more information regarding these studies, specifically the marketing study, before they would make a recommendation to the Urban Renewal Agency (URA).

In 2010, URA staff identified several areas of concern for evaluating the building itself for further use. These were; a structural analysis that included a seismic evaluation; an environmental analysis that included asbestos, lead, and mold surveys; a utility and fire system review; and a roof and ADA access evaluation. None of these were completed, because the potential acquisition by the URA fell through.

Attached to this report is a proposal from the Benkos that provides more information on the marketing study and on how they see the studies, building purchase, and building renovation taking place. Their consultant on the marketing study, Steve Burdick attended the URAC meeting to help answer specific questions about the marketing study (see attached minutes).

The Benkos indicate that the cost of a marketing study is \$10,000. They also indicate that the cost for a feasibility study is about \$25,000. The cost for an engineering evaluation, as determined by staff about four years ago, would be about \$50,000. A marketing study could have useful purpose for the URAC and URA beyond this proposal, as would an engineering evaluation, if another developer were to be interested in the redevelopment in the future. The feasibility study would be more specific to the Benkos' proposal.

The Benkos' proposal outlines how they see the full process working. This includes (along with the marketing analysis) and building analysis, financial analysis, and the business plan, and how the URAC and URA could be involved. Staff recommends that no commitment to this specific proposal be made at this time, but to wait for the results of the marketing analysis to further discuss how the process might be completed.

BUDGET IMPLICATION: The cost of the marketing study could be charged to either of the following budget line items:

1. Property Rehabilitation: \$326,025 is available for new projects.
2. Projects by Urban Renewal: The budget included \$258,360 for new projects. Up to \$220,000 has been committed for the Thompson Pool Project. This leaves \$38,360 for new projects like the marketing survey.

RECOMMENDATION: The URAC's recommendation is to help fund the marketing study by 50 percent, \$5,000. The URAC also discussed having the Agency do its own study along with the Benkos. No recommendation for any other studies or on the potential redevelopment process was made by the URAC.

AGENCY ALTERNATIVES

1. Move to approve the URAC recommendation providing a grant to the Benkos for 50% funding of the proposed \$10,000 marketing study from the Property Rehabilitation line item. Any study completed would be available for the Agency to use as they desire.
2. Move to approve the URAC recommendation providing a grant to the Benkos for 50% funding of the proposed \$10,000 marketing study from the Urban Renewal Projects line item.
3. Move to provide full funding of the marketing study.
4. Decline to provide funding for the marketing study.

DRAFT
International Collection of Neon Signs
ICONS
Market Analysis

Project Overview

The International Collection of Neon Signs (ICONS), as a private non-profit organization, in conjunction with Rocket City Neon, a for profit sign company, is evaluating the purchase of the vacant The Dalles Elks Club building and the conversion of the building into a sign museum / events site / educational venue and private sign shop.

David Benko, the executive director of ICONS and the owner of Rocket City Neon, has over 26 years of experience in the preservation of historic signs and the production of classic lighted signage. In addition to having access to antique signs of other collectors, Mr. Benko has an extensive collection of neon and light bulb signage that is one of the top five vintage sign collections in the world.

The Elks Building is for sale. Mr. and Mrs. Benko have toured the building with a building inspector and they believe that, brought into suitable condition, the building can house the envisioned uses. However, several issues must be resolved before ICONS can commit to buy the Elks Club. These include:

- **Market Analysis:** Is the Columbia Gorge / The Dalles tourism market sufficiently robust to support the envisioned uses and to potentially satisfy requirements for building acquisition / rehabilitation and business venture financing?
- **Building Analysis:** What rehabilitations and modifications are necessary to the Elks Club building to satisfy code, historic rehabilitation and use requirements? What is the probable costs of the necessary improvements?
- **Financing Analysis:** Given the market, building and improvement cost analyses, what public and private financial participation is reasonably achievable?
- **Business Plan Viability:** Given the market, building and financing analysis, the draft business plan must be reworked to reflect the findings of the analyses.

Market Analysis

The market analysis will assess the general Columbia River Gorge and the specific The Dalles tourism market demographics and area potential. This will include an assessment of drawing visitors off of I-84. It will complete an industry profile and a potential index, identify competitive and complementary venues and recommend a marketing strategy for

the proposed non-profit and for-profit business components. The specific components of the market analysis will include:

- Market Demographics
- Market Area and I-84 Potential
- Downtown The Dalles and Elks Building Location Analysis
- Industry Components Profiles and Potential Index
- Competitive and Complementary Venues
- Marketing Strategy

The cost of this analysis will be limited to \$10,000. Proposals will be solicited from consultants with relevant tourism marketing experience. Financing of the market analysis is proposed to be funded by The Dalles Urban Renewal Agency.

Building Analysis

ICONS will request two competitive, experienced building rehab general contractors to advise on required and recommended modifications to the building. Each of these two contractors will be invited to submit bids for the work that ICONS determines will be done. Unless the submitted bids preclude the viability of the project, no other general contractors will be invited to submit bids. Architecture and structural engineering consultants will be retained to advise the rehabilitation contractors.

The Benkos will pay for any necessary general contractor costs. The Dalles Urban Renewal Agency will be requested to assume the architectural and structural engineering costs.

Financing Analysis

The Benkos, the ICONS board of directors, The Dalles Urban Renewal Agency staff and board members and other community experts from agencies such as the Mid-Columbia Economic Development Council will be invited to participate in a series of discussions to evaluate potential public and private financing potential for building rehabilitation and business operations.

Business Plan

Based on the above analysis, the Benkos will prepare a draft business plan and work with ICONS board of directors to prepare a business plan for the rehabilitation of the building, for launching the proposed uses in the building for long range business viability. The Benkos will fund all costs associated with the development of this plan.

The Benkos expect to supply the building purchase equity with ICONS or Rocket City Neon as the purchaser.

Business Plan
ICONS MUSEUM
July, 2014

This document is for information only. Information disclosed herein should be considered proprietary and confidential. The document is the property of the Rocket City Neon, Inc. and may not be disclosed, distributed, or reproduced without the express written permission of Rocket City Neon, Inc. Working title indicated as I.C.O.N.S.

**6301 NE 124th Street
Vancouver, WA 98686
(360)571-5885
rocketcityneon@yahoo.com**

David Benko, Executive Director

Table of Contents

- *Executive Summary*
- *Company Description*
- *Mission Statement*
- *Products and Services*
- *Management*
- *Executive Director*
- *Board of Directors*
- *Opportunity*
- *Current Position*
- *Operating Plans*
- *Competitive Analysis*
- *Marketing*
- *Advertising*
- *Fundraising*
- *Benefits to the Community*
- *Economic*
- *Community Development*

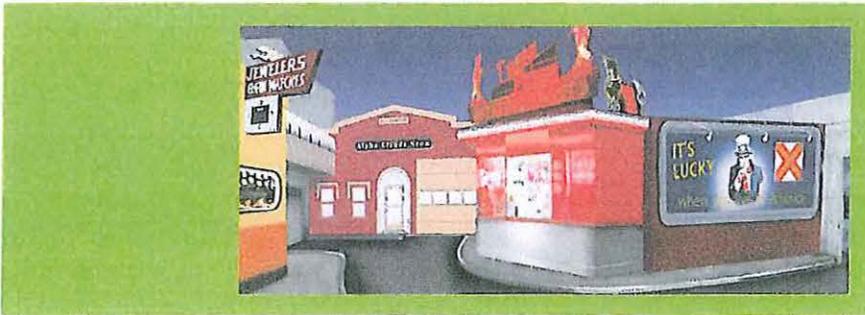


Executive Summary

In 1976, as part of its American Bicentennial exhibition, the Smithsonian Institution celebrated the unique history of signs in the United States with a major exhibit entitled *Signs of Life*. Exploring both historical and contemporary signs and symbols in the American city, the exhibit emphasized not only the pervasiveness of signs throughout our society, but also the significant role they have played in American life and its cultural history. The exhibit was one of the most successful exhibits ever commissioned at the Smithsonian's Renwick Gallery, and it attracted major attention, on a popular as well as a critical level.

That the prestigious Smithsonian would deem the history of signs worthy of a major exhibit speaks to the enduring historical significance, cultural value, and popular appeal of signs and the substantial role they have played in American life. Yet, since the closing of the *Signs of Life* exhibit no major museum has been established to fully explore and honor this important medium; until now.

With 20,000 square feet of electrifying exhibits and interactive displays, Rocket City's



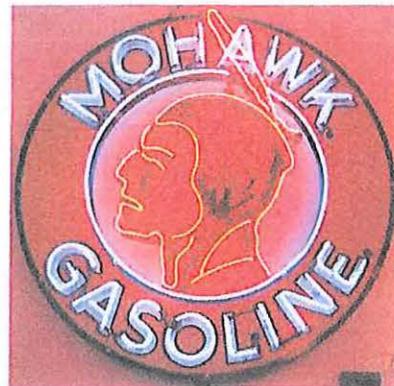
International Collection of Neon Signs (ICON's) is dedicated to providing a dynamic and entertaining environment to promote an understanding and appreciation of electric signs and the unique role they have played in American history. Founded in 2002, the museum's collection is currently housed in a 3000 square

foot shop in Vancouver, Washington. The museum is currently seeking a much larger, permanent facility to exhibit its growing collections in a tourist friendly and environment.

Along with one of the largest collections of vintage pre-electric and electric storefront signs in the world, the museum's assets include a world-class collection of neon clocks and point of purchase signs, antique gas pumps and jukeboxes, hundreds of vintage trade catalogs and business cards, private written histories, photographs, and a broad spectrum of manufacturers salesman sample giveaways, from ashtrays and lighters to rulers and calendars.

*"Electrical advertising is a picture medium.
Moreover, it is a color medium; still again,
electrical advertising is a medium of motion, of
action, of life, of light, of compulsory
attraction."*

-from the influential advertising
trade journal *Signs of the Times*,
1912



Unlike the stuffy and academic environment found in many museums, Rocket City's ICON's is committed to

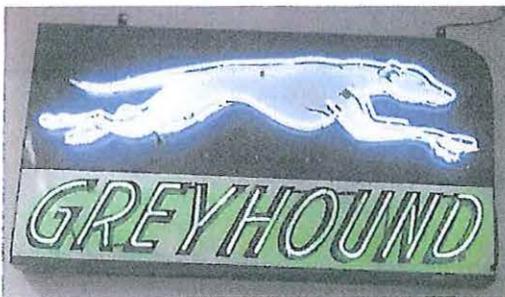


creating a very warm, fun, and family-friendly atmosphere that is open to all ages. And like the electrical and neon signs it will be celebrating, the museum's permanent and temporary displays and exhibits will be colorful, dynamic, and visually stimulating. In some

cases, these exhibits and displays will also be interactive and will invite the participation of visitors. To further expand the public's understanding and appreciation of signs and advertising, as well as the historical and sometimes scientific significance, the museum will provide the community with a wide variety of educational programs, training seminars, and special events for both adults and children as part of its education and community outreach programs. A cooperative agreement to create potentially accredited Sign Studies and Museum Studies programs will be pursued with local colleges and high schools. Ideally, these programs could potentially find additional support from various industry representatives, such as The Oregon Electric Sign Association and The International Sign Association. These collaborations and support efforts would be initiated with the help of local educational institutions.

Once its permanent location has been established, the museum will also make itself available as a unique setting for hosting private and corporate parties, special events, and public gatherings. The museum will also open a gift shop that will cater to the interests and needs of the general public, as well as artists, historians and collectors.

"When I was in the 4th grade (1950) my class came to tour my dad's sign shop. The neon tube bender was working in the fires and as we all eagerly watched he crafted the glass into swans and various designs. I will never forget that." -Bruce Hagenson, former mayor of Vancouver, Washington



The museum's Executive Director David Benko brings significant experience to his position, including 26 years as a successful business owner in the sign industry, as well as experience as a museum curator for a nationally recognized sign museum. The museum is seeking initial funding through cooperative City grants, support of local and national sign companies, service organizations, local

businesses, admissions/membership and donations. Thereafter, funding will derive from continued fundraising, grant writing, membership and admittance fees. The primary goal of the museum's fundraising campaign is to raise the capital necessary for the construction or rehab of a permanent Museum site.

Company Description

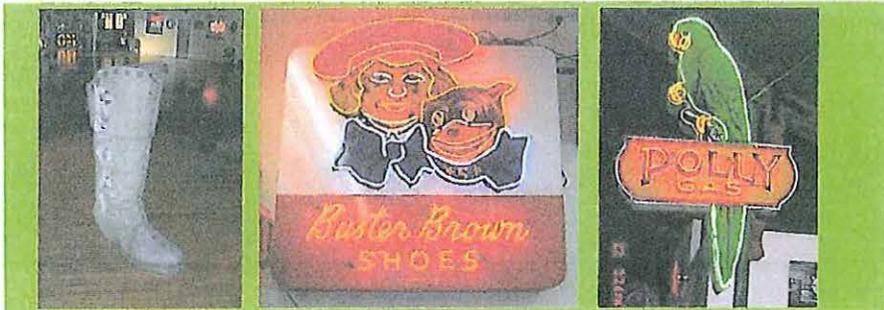
Mission Statement

Rocket City's ICONS is dedicated to providing a dynamic, entertaining and educational environment to promote and encourage an understanding and appreciation of electric and non-electric signs, and the important role they have played in American history. Through its permanent and temporary exhibits, interactive displays, educational programs, and historical presentations, the museum will explore and illuminate the vast changes in American life and culture that have taken place since the first electric signs were designed and manufactured in the late 1890's. The museum will also seek to serve its diverse public as an innovative and welcoming center for learning and exploration through the visual arts and the unique artistry and artisanship that comprises sign design and manufacturing.

Products and Services

The foundation of the museum's exhibits and displays will be the private collection of its founder and executive director, David Benko. This private collection, valued at well over \$1,000,000, will be on permanent loan to the museum, and will be augmented by the additional and ongoing acquisitions the museum makes as it works to expand the breadth of its exhibits and displays.

Focusing on the evolution of the electric sign from pre-electric and gold leaf signage (1880's) to the invention and widespread use of plastic (1960's), the museum's current assets represent one of the largest collections of artistic storefront signs in the world. The collection is filled with an expansive range of signage and artifacts related to the sign industry, including many one-of-a-kind signs, significant pieces of fabrication equipment and displays that cannot be seen on public display anywhere else in the world. The collection is filled with an expansive range of signage and artifacts related to the sign industry, including many one-of-a-kind signs and displays that cannot be seen on public display anywhere else in the world. Along with the animated and figural 'Dog n' Suds' sign and the Howard Johnson's 'Simple Simon', the collection also includes one of the rarest groupings of West Coast petro signs ever assembled, including Richfield-'Eagle', Seaside, Associated, Polly, and Buffalo signs. Among the many noteworthy pieces in this singular collection are the following:



Along with its unique collection of storefront signs, as stated the museum will also display a wide range of colorful neon clocks and eye-catching point of purchase signs, antique gas pumps and jukeboxes, and thousands of vintage photographs.

Along with its unique collection of storefront signs, as stated the museum will also display a wide range of colorful neon clocks and eye-catching point of purchase signs, antique gas pumps and jukeboxes, and thousands of vintage photographs.

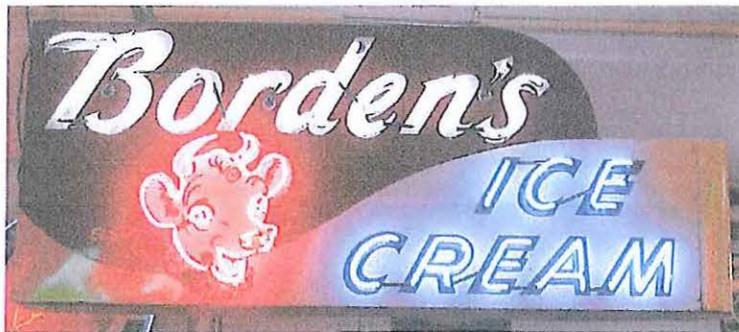
Along with its unique collection of storefront signs, as stated the museum will also display a wide range of colorful neon clocks and eye-catching point of purchase signs, antique gas pumps and jukeboxes, and thousands of vintage photographs.

- 1900-1910 Regal Boot - 7' tall three dimensional sculptural boot covered with incandescent light bulbs. Featured prominently in a sign design book published in 1920, this is one of only two signs known to exist; currently valued at over \$25,000.
- 1930's Polly Gas - two-sided porcelain figural pole mount sign; this extremely rare sign is one of only a handful in existence; currently valued at over \$200,000.
- 1930's Chas Eisler electrode making machine - following the expiration of Georges Claude's patent, major manufacturers' shops made their own electrodes. Most of these machines were destroyed by EGL in the late 30's through the 50's, and are extremely rare.
- Town Pride - 24' porcelain wrap-around diner storefront from Milwaukee, Wisconsin. The pinnacle of postwar neon exuberance, this striking sign is covered in neon and features 6' tall marching trumpet players, cartoon dogs and pigs (Hot Dogs -n- Hot Ham); currently valued at \$45,000.

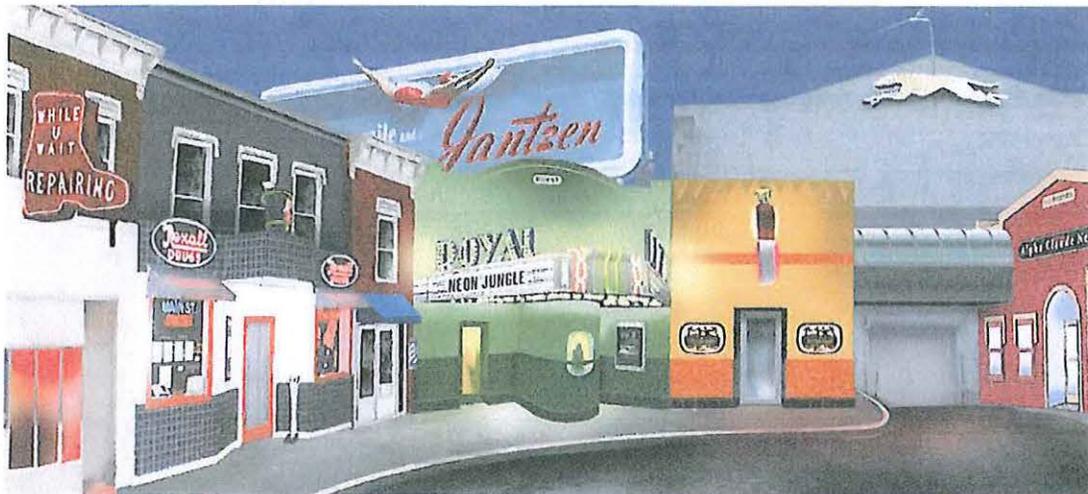


In addition, the museum also maintains and will display a very rare collection of Claude Neon patent, production and promotional items. The Claude Neon collection includes numerous signs from various Claude franchises in the 1920's-1950's, along with original stock certificates, catalogs, newsletters, sales slips and many giveaways. Along with some early patent models, the collection also includes a vintage hand lettered storefront window from Claude Neon Displays of Rochester, NY., as well as the only known original outdoor storefront sign.

The museum will operate a gift shop during regular business hours, giving regular visitors, tourists, and collectors an opportunity to purchase industry-related gifts, both vintage and modern. The shop will feature an inviting and wide-ranging selection of historical items and nostalgia, along with custom-made neon and metal art, novelty keepsakes and vintage Americana. The Museum's gift shop will feature books from the nationally recognized ST



(Sign of the Times) Publications, as well as various other authoritative sources. The gift shop will also feature exclusive items for sale from nationally recognized neon artists, including Larry Albright, Bill Concannon, Michael Flechtner and Meryl Pataky. The museum will be a source of higher end collectibles and neon art for both beginning and advanced collectors.



The museum will make itself available for corporate or private party entertaining. Three different floors will each offer a unique size and flavor, from the fun and lively 'Main Street' display (2400'), to the more casual 'Diner' (1500'), to the elegant 'Grand Gorge Ballroom', (5000'). With an array of neon and electric signs as a backdrop, along with its collection of full-sized storefronts on display, the museum will provide a unique and dramatic setting for special events, public gatherings, and private parties. Catering and conference facilities will be provided to attract and accommodate private and public functions and gatherings.

As part of its education and community outreach programs, Rocket City's ICON's will seek to offer a wide variety of educational programs, training seminars, and special events for both adults and children, ranging from fully accredited college courses for adults in advertising and museum studies to hands-on, activity-based classes for young children and teens. The Museum will actively work to create a very warm, welcoming environment that is family-friendly. The museum staff will help with both formal and informal learning activities and provide support for classroom work at all stages. The staff will be available year-round, during business hours, to assist students with course work, as well as providing support and guidance. ICONS outreach and potential accredited programs are listed below.



College and Adult Education Programs

- **City Lights** - These weekend seminars for adults will consist of small study groups, and will focus primarily on the history of the sign and advertising industry.
- **Neon Techniques and Handling** - A three month course geared towards both sign enthusiasts and artists. Students will learn the basics of neon tube bending, pattern making, bombarding and sign installation, as well as running an efficient neon shop. This course is a prerequisite to the Signs of Life Course.

- **Signs of Life** - A 9-24 month certification program. Students will learn all aspects of the sign industry from welding, metal fabrication, painting, electrical wiring/troubleshooting and neon. This course is part of an ongoing cooperative program between ICONS and the local community college and/or high schools. This program would seek to find financial, guest personnel and gifts in kind (supplies) support with national industry leaders such as The Oregon Electric Sign Association and The International Sign Association. In addition to hands-on training and instruction, students will also hear from guest lecturers from the region, as well as nationally with expertise in these specialized fields.

Youth Programs

- **The Toy Store** - Designed for primary and elementary aged children, these short classes will promote hands-on exploration and discovery. Students will learn about the basics of advertising and what goes into making a sign; design and construct their own small-scale signs and displays.
- **The Soda Shop** - Targeted for young teens, this program will promote constructive group interaction and cooperation. Students will prepare exhibits and presentations for public display on a quarterly basis (includes Light Exhibition, Metal Form Design, Neon Art Glass Design, and Thoroughfare Art Tiles).
- **The Sock Hop** - A program designed for high school through college-age students. This program will explore technology, history, art, science and culture. The impact of individual contribution to society will be emphasized. Guest instructors and lecturers from local businesses and organizations will be featured.
- **The Drive-In** - This family-based program will be open to all ages and will explore how business and industry impacts families and family life. The program will be focused on activities that encourage the participation of all family members.

Future plans call for the creation of an online, interactive website, which will feature virtual tours of the museum and its displays, image galleries, and slide shows. The Museum's website will work to bring together industry historians and students, buyers and sellers, and amateur enthusiasts around the world through real-time chat rooms and on-line forums. The creation of an on-line research library that presents the museum's collection of sign history documentation and paperwork will also be added for subscribers.

Management

Executive Director – David Benko

With over 35 years of experience as a collector of electric signs and antique advertising, David Benko is uniquely qualified for this position. He has been building his private collection since childhood--beginning with his earliest experiences traveling across the United States as a child in the 1970's--and has long understood the significance of the disappearing landscape he has been privileged to observe and explore. By focusing not only

on the unique beauty of these industrial works of art, but also on the artists' and craftsman that have produced them, he has assembled one of the most expansive collections of neon and electric signs to be found anywhere. This world-class collection will provide the foundation for the ICONS exhibits and displays.



To the role of Executive Director David Benko also brings 26 years of experience as a successful business owner in the sign industry, as well as experience as a museum curator for a nationally recognized sign museum. Beginning his career in the sign industry in 1987 after more than a decade of collecting antique advertising, he founded Rocket City Neon a year later to serve a growing list of customers from Seattle to Los Angeles. He quickly earned a reputation as an accomplished and highly regarded neon 'tube bender', and has since designed, manufactured, and restored a wide range of neon signs and neon displays that now grace store fronts and street corners across the western United States and Canada. As one of a small but dedicated group of craftsmen who continue to work with neon, his work has helped to keep this unique and dynamic art form alive on the busy streets of contemporary American cities.

Beginning with the La Conner History Museum in 1979, David Benko has a long history of working collaboratively with a number of nationally recognized museums in the United States, including the Pacific Telephone and Telegraph Museum (San Francisco), The Unknown Museum of Mill Valley (California), The Museum of History and Industry (Seattle), The Coonrod Motorcycle Museum (Vancouver), The American Advertising Museum (Portland, OR), and the Eisner Museum of Design (Milwaukie, WI). In 1999, he accepted a position as curator of the American Sign Museum of Cincinnati, where he was responsible for acquisitions, restoration, cataloging, scheduling, and fundraising, as well as designing and managing the production of major exhibitions. (The American Sign Museum currently resides in Cincinnati. The pet project of 'ST Publications', this project has built a small collection of signs donated from the bone yards of the sign industry, and also includes a large collection of print items). He left this position in the summer of 2002 to return with his wife and children to their roots in the Great North West, with future plans for the creation of ICONS once their young family became more independent.

Board of Directors

Establishing a vision and laying the groundwork has been the foundational role of the Board of Directors to date. With extensive ties to the Vancouver and Portland business communities, as well as the local arts and cultural scene, the museum's Board of Directors brings a strong blend of complementary skills and a wealth of experience in the management of new and growing businesses. The board also brings a wide range of individual and collective expertise in museum operations, finance, community development, and non-profit management to the museum's management team. Referred to as "...a who's who of Southwest Washington Business leaders," by *The Columbian*, the museum's Board of Directors consists of:

Steve Burdick – Former Manager of Economic Development Services for the City of Vancouver, Executive Director of the Vancouver Downtown Redevelopment Authority, Executive Director of the Vancouver Public Facilities District, and Assistant Director and Economic Development Planner for the Mid-Columbia Economic Development Council in 1975-76.

Rob Bearden - Director of Operations, Portland Art Museum.

John White – Retired Founder and President of The JD White Company, Inc., a consulting firm specializing in land use, natural resource and public involvement issues.

National Council of Advisors

Future plans call for the development of a National Council of Advisors (NCA), which will include leaders in the sign industry from around the country. While this project may be viewed by some as a regional project, its mission is national in scope. Focusing on national signs and trends within the American sign industry, the NCA will create a national council of regional leaders. As well as bringing their own clout to the table, these leaders will help the museum in its fundraising campaigns (particularly the Founders 100) through contact with business and civic leaders in their respective regions. These important roles will be filled by sign association presidents, past ISA and WSA chairmen and local sign company owners, suppliers and executives.

Opportunity

By opening its doors in a prime and historic location in The Dalles, ICONS will be in an ideal position to both capitalize on and add to the extensive revitalization and economic development that is projected for The Dalles downtown area. Investment from the city's 14,000 residents and community leaders will be necessary to implement the successful transformation of its quiet downtown area into a bustling, pedestrian-friendly destination that is full of charm and vitality, and more importantly, opportunity.¹ With over \$75 million worth of essential community services/economic development and revitalization projects that are scheduled or have begun construction, along with increased awareness of the community to retain visitors for longer stays, as well as increase the lagging traditional business and services market; the enormous business potential created by this expansive development effort cannot be overstated.²

According to the Oregon Office of Economic Analysis, The Dalles is considerably more stable than other areas throughout the state. John Lehner reported in his 2012 post recession statistics that The Dalles only faltered several percentage points in unemployment as compared to the rest of the state at 8.5%. The area continues to not only focus on and draw tourists, but demonstrate commitment to expanding viable, solid and diverse industry such

¹ "Columbia River Gorge." *Oregon Office of Economic Analysis*. N.p., n.d. Web. 28 June 2014. <<http://oregoneconomicanalysis.com/2012/04/03/columbia-river-gorge/>>.

² "Crates Point Development in The Dalles, Oregon, Columbia River Gorge." *Crates Point Development in The Dalles, Oregon, Columbia River Gorge*. N.p., n.d. Web. 28 June 2014. <<http://www.cratespoint.com/thedalles.htm>>.

as its continued investment in sectors such as energy, agriculture, drones and technology.³ This community-backed effort to sustain the region could result in greater potential to achieve revitalization of the downtown core commerce area.

- The successful revitalization of the central business district may be initiated by the establishment of the widely recognized Rocket City ICONS Museum in the downtown area. Subsequently cultivating an environment which fosters innovation for public gatherings, including outdoor community & family friendly events, festivals, concerts, and many other activities in an inviting outdoor location.
- A growing community of colorful retail shops, café's, art galleries and restaurants could inhabit buildings that were once vacant, and mix seamlessly with attractive new and spruced office spaces. A truly vibrant urban environment can emerged downtown, along with a burgeoning art and cultural scene that is enthusiastically supported by the community.
- Outdoor walking tour of vintage signs and advertising is a suggested collaboration of ICONS and the city of The Dalles. The walking tour of historical signs would coincide with the 100 year anniversary of neon to highlight the significant changes in science and the industry.

Current Position

Rocket City currently is operating out of a 3000 square foot shop in Vancouver, Washington on property owned by its founder and Executive Director. With space for office facilities, showroom restoration and storage needs, the facility has provided enough room to store ICONS vast and growing collection as the project prepares to enter an aggressive fund-raising period. This site has large 12' x 12' warehouse doors, can be accessed by large and small shipping trucks and is only 20 minutes from the Portland International Airport. Once a site has been selected for the permanent location, the museum will transition from this space to the much larger complex.

With interest in the museum growing, and prospect of ICONS establishing in the Northwest; a very favorable article appeared in the Columbian newspaper. Calling the museum project "an excellent example of what a creative economy... calls for", the article points out that "it's hard not to like neon" and refers to Mr. Benko's private collection "an exceptional collection of something that is interesting and fun". This highlights that truly the appropriate setting and community is needed to foster its realization.

As part of its planned education outreach program, the museum had previously discussed implementing programs in collaboration with the local community college in Vancouver. The suggested educational programs were intending to focus specifically on museum and

³ Ibid 1.

sign studies, once ICONS was established. These programs could also be implemented in a location such as The Dalles. Local community colleges would be invited to partner with ICONS in the development and creation of a neon apprentice training program, as well as advertising history and appreciation courses for the community. These educational programs will be marketed and made available to the residents of The Dalles, as well as greater Oregon, Washington and Idaho.

The museum is seeking initial funding through grants, support of local and national sign companies, service organizations, local businesses, admissions/membership and donations. Thereafter, funding will derive from continued fundraising, grant writing, membership and admittance fees. The primary goal of the museum's fundraising campaign is to raise the capital necessary for the construction or rehab of a permanent Museum site.

The Appeal

Communities often attempt to emulate or copy what has been done successfully in another city. For example recreating the artistic flare of Northwest 23rd in Portland, OR, or the nostalgic feel of small town life in Troutdale, OR. The beauty and appeal of The Dalles is its ability to evolve, but not lose its character and genuine ambiance through unauthentic endeavors. Multiple small and mid-sized towns have abandoned their roots; torn down classic structures and replaced them with modern mundane designs. They then are left with the dilemma of how to distinguish their community from the next.

A golden partnership exists for The Dalles to be set apart, and provide a backdrop for the ICONS collection of more than 200 storefront signs. The ability to extend well outside the inner walls of a building and onto the streets, presents the City with leverage to capture even a broader spectrum of tourists. Secondary to the physical museum location, a selection of signs would temporarily be displayed on the city streets as commercial artwork in an original environment, emulating the feel of a time gone by.

Operating Plans

Operational plans call for the development of a 20,000 square foot space in a central location in The Dalles, OR to house the museum's collections, exhibits, and displays.

How will The Dalles economic redevelopment impact Rocket City's ICONS? Like most other museums, ICONS will be at least partially funded by walk-in customers who will pay an admission price to view the museum's displays and interactive exhibits. By positioning itself to attract new businesses, restaurants, services and retail spaces, ICONS will be able to leverage much of the investment that the City of The Dalles and its citizenry make to its significant advantage. The Columbia River Gorge already attracts a high percentage of visitors annually, upon which, a nationally recognized museum would only augment and draw those visitors east to extend their economic influence. According to a study by Erin White and Darren Gooding of OSU:

The average trip spending of visitors ranges from about \$40 per party per trip for local residents on day trips to nearly \$226 per party per trip for non-local residents on overnight trips away from home. On average, most local

area expenses are for gasoline, groceries, and purchases in restaurants/bars. The reported 3.5 million visits annually to Oregon State Parks properties in the Columbia River Gorge Management Unit yield about \$50 million in visitor spending in local communities. Non-local residents account for about \$33 million of that spending.⁴

In addition to the highlights of the revitalization effort listed above, The Dalles possesses a number of other qualities that make it a perfect location for the opening of ICONS, including:

- Less than 30 minutes from The Dalles, **WAAAM**, Hood River's own museum featuring the largest collection of operational antique aircraft is a precursory draw for the nostalgic and historian.
- The **Columbia Gorge Discover Center** bolsters an impressive tourist attraction for the novice and expert, presenting an overview of the historical and geological natural life of the Gorge.
- The city center is adjacent to **Interstate 84**; a heavily trafficked corridor between the densely populated cities of Portland and Pendleton⁵. In addition, according to the *Transportation Systems Monitoring Unit*, more than 20,000 automobiles pass by The Dalles eastbound exits daily, 7 million annually.⁶ As noted above, half of those are visiting Columbia River Gorge attractions.
- Just ten minutes from downtown, **The Dalles Dam** is one of the United States largest hydroelectric power plants open to visitors daily.
- **Sunshine Mill Winery**, **St. Peters Cathedral** and **Fort Dalles Museum** all offer an eclectic variety of family friendly attractions and activities locally.
- **The Portland Spirit** offers scenic cruises from Cascade Locks to The Dalles daily during the summer months; docking walking distance to downtown.

Three and a half million individuals visit the Columbia River Gorge annually, with only a fraction stopping in The Dalles, OR. Rocket City's walking tour of ICONS' vintage signs will draw drivers off the freeway, offering a free outdoor tour of no-longer seen artwork from "America's Advertising Hey Day". A modest 20% draw would be nearly 1.5 million additional visitors that would eat, stop for gas or other purchases. Comparatively, projects

⁴ White, Erin M. "Spending and Economic Activity." *Oregon Government*. Oregon State University, n.d. Web. 28 June 2014. <http://www.oregon.gov/oprd/PLANS/docs/scorp/2013-2018_SCORP/Gorge_Economic_Impact%20Report>.

⁵ "Interstate 84 Annual Average Daily Traffic (AADT)." *Interstate-Guide: Interstate 84 Annual Average Daily Traffic*. N.p., n.d. Web. 28 June 2014. <http://www.interstate-guide.com/-084_aadt.html#oregon>.

⁶ "ODOT Transportation Systems Monitoring Unit." *Oregon Gov*. N.p., n.d. Web. 28 June 2014. <http://www.oregon.gov/ODOT/TD/TDATA/tsm/docs/TVT_2012.pdf>.

like 'City Museum', an eclectic experience of art and oversized mayhem began operation in the slums of St. Louis with 300,000 guests the first year, followed by 700,000 the second and today well more than 1 Million annual visitors, which is 25% of the total tourist annually visiting the area. Seattle's Experience Music Project (EMP) reports approximately 1.2 million paid visitors annually.⁷

General Operations

The Museum's standard operating hours will be Monday through Thursday from 9:00 AM to 5:00 PM, Friday and Saturday from 8:00 AM to 4:00 PM and Sunday from 11:00 AM to 5:00 PM. The rental of the museum space for catered events and private gatherings will require additional hours of operation. These events will generally be scheduled 3-6 months in advance. A part-time coordinator will handle the scheduling of additional hours, as well as any additional staff requirements.

Pricing

General Admission - The gate ticket price of ICONS will range from \$5-10 for children and seniors, and \$10-15 for adults.

Educational Programs - Prices for individual classes and educational programs offered through the museum, as well as those developed in cooperation with community colleges, will be determined as these programs are established.

Gift Shop - The museum's gift store will feature a wide range of items available for purchase, with prices ranging from the 50-cent postcard, to high-quality art and history books priced between \$25 and \$50, to fully restored vintage gasoline pumps that can cost as much as \$2500-\$10M.

Personnel Plan

Staffing for the Museum will include the museum's executive director who will handle marketing, public relations and oversee basic operations as well as curation. A part-time administrative position will also be filled in the beginning of 2016. Upon the Museum's physical opening, the administrative position will become full-time. A janitorial service will be retained to handle regular cleaning needs. A part-time reception coordinator will be added as is necessary. Personnel needs for the museum at this time would include 3-5 public relations positions in the museum, from gate sales and guide service to retail sales. This need will be filled by students from college Museum Studies Program. Compensation for the Museum Director will begin at \$72,000. The administrative support person will be compensated at an approximate wage of \$15 per hour.

Equipment

The Museum will acquire neon shop and production equipment prior to offering neon and sign production classes through local community colleges. Whenever possible, the museum

⁷ "Annual Fund." *EMP Annual Report*. N.p., n.d. Web. 28 June 2014.
<http://www.empmuseum.org/media/386129/emp_museum_annual_report_2013.pdf>.

will seek to acquire operating equipment and tools through in-kind donations from manufacturers. Below is a listing of the equipment required and their respective costs:

- Manifold, choke and bombarding equipment - \$10,000
- Neon production stations-ribbon, cannon, crossfires and hand torch - \$15,000

Professional Consultants

John Draneus, Draneas & Huglin, PC, previously handled the company's legal matters. A professional accounting firm will be retained.

Expenses

Projected first year expenses of approximately \$500,000 can be accounted for in the following general line items:

Salaries

Executive Director - \$72,000 - includes \$12,000 in administrative assistance costs.

Development Director - \$70,000

Membership Coordinator - \$40,000+

Payroll Burden - first year salaries should total approximately \$200,000 and, depending on the extent of employee benefits, a payroll burden of another \$40,000 should suffice.

Contracted Services

Outsourced labor will total approximately \$56,000 and include:

- -Grant Writer
- -Public Relations
- -Registrar (documentation & recording of collection) Services
- -Information Technology
- -Maintenance
- -Security

Printing

Neon is a visual medium. Printed matter, from signage, letterhead and business cards, to teacher materials, membership benefits brochures and newsletters must reflect the institution's fun, but professional image. Printing expenses for the first year will approach \$50,000.

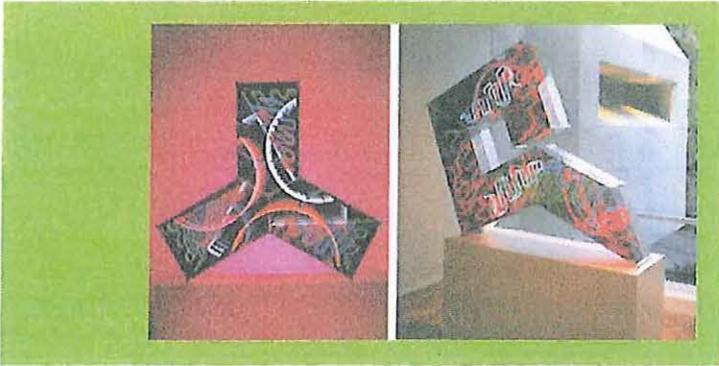
Special Events

At \$25,000, one event can be planned for a select number of Museum friends.

Advertising and Promotion

In terms of square feet, the Museum will be small. However, membership and attendance numbers must reflect a larger institution. This will require building a public image that is larger than the actual Museum. At \$50,000, the advertising and promotion strategy will have to rely on media partners, tourism relationships and brilliant promotional strategy to achieve adequate visibility.

Shop Merchandise



Stocking the gift shop with initial inventory can be accomplished for approximately \$35,000, including commissioned art pieces.

Utilities

Without an actual property upon which utility costs might be calculated, it is difficult to estimate the cost of power, water, etc. Fluctuating energy costs only make this number more difficult to estimate. A current estimate of \$30,000 is projected.

Revenue

Revenue and Support recognized in the Museum's first year might be broken out as follows:

Admissions

Initially gate revenue of more than one million dollars will be derived from two main sources: public ticket sales and school tours. (Estimated on 1% draw of Average Annual Daily Traffic).

Tuition

Neon certification tuition will account for approximately \$30,000.

Gift Shop

Based upon standard mark-up, gift shop sales should return \$70,000 on a \$35,000 inventory.

Rental Income

The Museum should be easily rentable as public event space. Twenty events at \$1,500 each would return \$30,000 annually to the Museum. Catering commissions could account for, at least, another \$5,000.



Naming Opportunities

Every gallery, staircase, bench and special event is a naming opportunity. Although gallery and other spaces will probably be sold for more, approximately \$130,000 in revenue should be recognized the first year.

Sponsorships

Sponsorship of special (temporary) exhibitions should total \$150,000, with lectures and other educational programs selling for an additional \$25,000.

Membership

A total of 5,000 new members can be expected to join the Museum within the first 12 months at an average of \$20 per membership. This \$100,000 represents approximately 20% of the operating revenue; a figure that should increase slightly in years two and three.

Grants

Signage and Advertising Museums are not common. For these reasons, grant money may be procured from specialized and niche markets, in addition to traditional art foundations.

Competitive Analysis

With the exception of the Experience Music Project in Seattle, there is no other museum in the northwest that features the kind of dynamic and interactive exhibits that will regularly be on display at ICONS. And while there are a few museums in the United States that include some advertising in their exhibits and displays, there are no major museums that are dedicated to this form of modern commercial advertising and artwork. Below is a list of current museums in the United States that display at least some forms of advertising or electric signage in their exhibits. Of the museums listed below, the American Sign Museum, located 2500 miles away from Vancouver in Cincinnati, Ohio, is the only other museum in the U.S. that focuses exclusively on signs, sign companies and company history. ICONS has working and on-going relationships with most of these museums.

- **Museum of Neon Art (MONA)** – Los Angeles, California. Located 1500 miles to the south of Vancouver, this museum features a small collection of primarily contemporary neon artwork.
- **Neon Museum** - Las Vegas, Nevada - this project features some of Las Vegas' most famous neon signs, in an outdoor 'boneyard' setting.
- **Henry Ford's Museum** - Detroit, Michigan – this eclectic museum features only a small number of signs.
- **Eisner Museum of Design** - Milwaukee, Wisconsin - the main focus of this museum is print advertising and television commercial advertising.

- **American Sign Museum** - Cincinnati, Ohio – featuring a 3500 square-foot display of signs, magazine, paperwork, and books, this museum is owned and operated by *Signs of the Times* magazine. Founded in 1982, the museum has slowly built a collection anchored by S.T.'s academic focus. After working for the project beginning in 1999, and as curator of this project from 2000-2002, ICONS Executive Director David Benko has remained in continual contact with the American Sign Museum, and has helped to secure many of their key pieces.

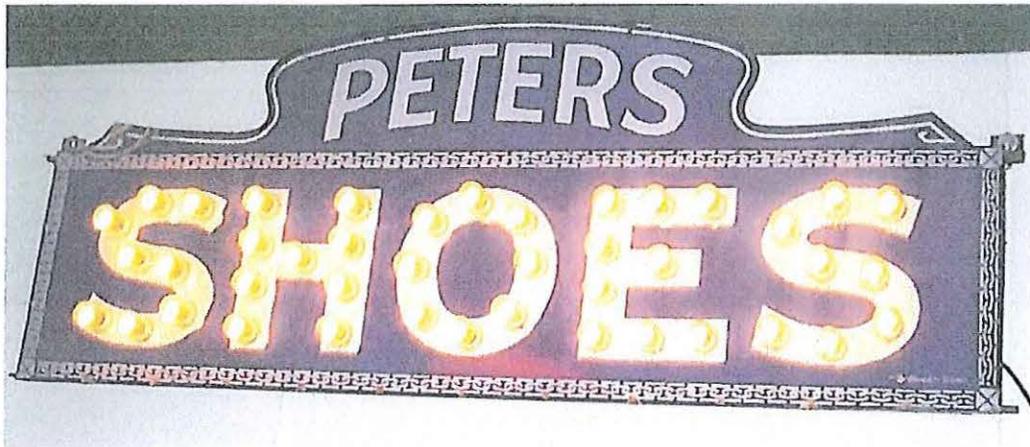
The museum has strong working relationships with various other museum projects in the northwest and across the nation. These relationships will help the museum to curate traveling shows and changing exhibits, and will help the museum stay in touch with the national museum community. These ongoing and cooperative relationships will also help the museum determine what is and isn't working for both friends and competitors alike, in terms of displays and exhibits, as well as marketing, advertising, and promotions. These contacts and relationships include:

- Museum of History and Industry (MOHAI) - Seattle, WA
- LeMay Automobile Museum - Tacoma, WA
- Portland Art Museum - Portland, OR
- Eisner Museum of Design - Milwaukee, WI

Marketing

Advertising

The museum's regular budget will have a standing advertising allotment, which will include production and regular distribution of a 4-color brochure, as well as web and social media direct and seasonal advertising. This budget will be augmented by free inclusion in local tourist guides, flyers and periodicals. The museum will work with local periodicals to have feature articles and pieces about the museum included in all appropriate venues both print and electronic. This will be achieved by a steady release of press releases addressing on-going Museum events. Furthermore, the four major news networks in Portland are constantly seeking intriguing public interest stories and the museum will actively work to be included in this broadcast coverage.



Fundraising **FOUNDERS 100**

The museum's executive director will lead the museum's fundraising effort. He will be responsible for instituting the planned **Founders 100** program, as well as other sponsorship programs. This will require travel, primarily by air, to meet with management from the nation's top sign manufacturers. Following the Museum's opening, the executive director will continue to make periodic fundraising calls and schedule follow-up meetings to keep the level of interest and enthusiasm for the museum high. Additionally, the executive director will oversee the development of the project locally, by meeting with local fundraising sources as well as working with builders and developers during the development of the museum's permanent display space. Additionally, the museum's diverse and well-connected board of directors will be instrumental in generating local support and contributions.

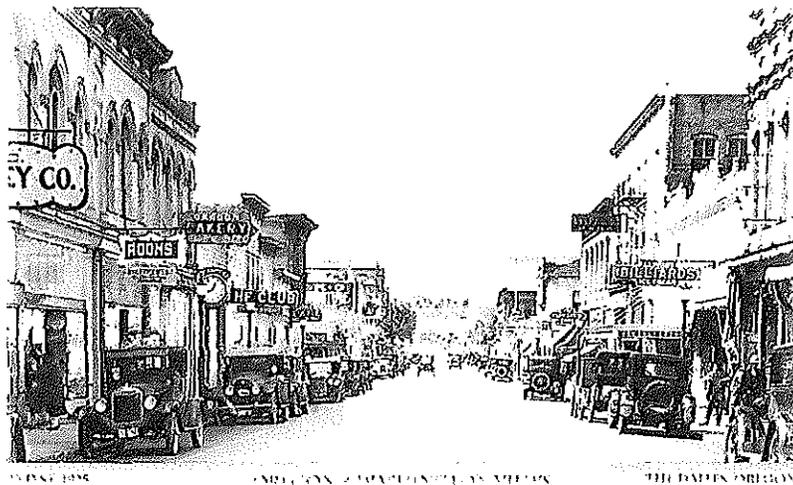
BENEFITS TO THE COMMUNITY

'Arts as economic development,' - a successful mantra of Tacoma seems equally as fitting to The Dalles re-development. ICONS will provide The Dalles an opportunity to draw on local resources of national significance. Children, families, and community are the back bone of a healthy sustaining community and are the core of the Museum's outreach programs. *"In becoming an art town, you win the day by getting to a critical mass of interesting things to do and see in your community"*. Doug Sessions, for *The Columbian Newspaper* 2005.

Community Development

ICONS will work closely with local schools and community groups. The museum will provide the community with a safe place to allow children to play and develop as individuals, and adults to gain new skills and learn

more about the history of signs and advertising, as well as our evolving society and culture. This will not only include historically relevant information, but discoveries in science and industry and industry that reflect the cultural changes and needs that have transpired over the past 150 years. By bringing individuals and families together, the museum will work to build stronger communities and encourage civic engagement.





ICONS MUSEUM

6301 NE 124th Street
Vancouver, WA 98686