



Sacramento Public Library Authority

September 23, 2010

Agenda Item 5.0: Tsakopoulos Library Galleria Annual Report 2010

TO: Sacramento Public Library Authority Board Members

**FROM: Don Tucker, Director of Facilities
Bonnie Slavin, Facilities Services Supervisor**

RE: Tsakopoulos Library Galleria Annual Report 2010

RECOMMENDED ACTIONS: None – Information Only.

BACKGROUND

The Tsakopoulos Library Galleria Complex operates as an event venue within the Central Library. Room rental fees, catering fees and café lease payments generate revenue to help support Library operations, with net revenues after expenses being added to the Library's general operating budget.

In spite of the economic downturn's impact to bookings over the last year, the Galleria showed a slight increase in revenue during FY 2009-10. This is likely a result of not increasing rental rates and providing a list of authorized caterers that offer a wide range of meal options with reasonable rates.

Improvements to the meeting spaces have continued, including the installation of new shades in both meeting rooms. During the next fiscal year, both meeting rooms will be painted and the kitchenettes reconfigured to provide much needed storage space. In addition, ceiling mounted projectors will be installed, which will allow users of the meeting rooms to make sophisticated presentations without having to transport or rent additional equipment.

Marketing efforts during the next fiscal year will include:

1. Participation in local corporate networking events to identify and generate new opportunities for business rentals during the work week.
2. Maintenance of relationships with existing and previous clients to encourage continued use of rental spaces.
3. Development of new brochures for both social and business clients that reflect the recent improvements made to the spaces.
4. Development of Internet advertising, including FaceBook and Twitter, to reach a larger audience.

ATTACHMENT

Exhibit A: Tsakopoulos Library Galleria Annual Report

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The Tsakopoulos Library Galleria at the Central Library continues to be a preferred location for private rental, government, community and civic events, as well as providing a dramatic setting for cultural and educational programs hosted by the Sacramento Public Library. The Galleria main hall, the two adjacent East and West meeting rooms and the Old Foyer entrance comprise one of the most unique and prestigious event spaces in Northern California. The components of the Galleria complex may be rented individually or in a combination that fits the needs of individual events and clients. The wide range of clients that rent the Galleria spaces provides a unique opportunity to generate public relations, visibility, and most importantly, additional income for the Central Library.

The primary mission of the Tsakopoulos Library Galleria is to generate the maximum revenue from its 12,000 square feet of rental space to help support the Sacramento Public Library. In addition, the Galleria provides an environment for cultural and educational programming to enhance the continuing revitalization of the downtown district and provides a dramatic and welcoming grand entrance to the Central Library. During the past fiscal year, the Galleria complex was host to eighty-six weddings, eleven high school proms, as well as one hundred events hosted by the Sacramento Public Library. Other clients included private corporations, government agencies and private educational organizations.

Revenue

Revenue from the Tsakopoulos Library Galleria complex is derived from three sources:

- 1) revenue from rentals for private events (70%)
- 2) revenue from authorized caterers and bar services (16%)
- 3) lease revenue from World of Good Tastes, Inc., the parent company for the on-site LaBou Café.

After salaries, benefits, supplies and services, and capital improvements are deducted, the net revenue for FY 2009-10 was \$65,359.

Tsakopoulos Library Galleria Rentals

Total rental revenue from the Galleria, Old Foyer, Balcony and Meeting Rooms, as well as equipment and security totaled \$284,530 for FY 09/10. This is an increase of \$72,855 or 34% from the previous fiscal year.

Catering Revenue

Total revenue for catering services totaled \$66,303 for FY 09/10. This is a decrease of \$20,182 or 23% from the previous fiscal year. The primary reason for this decrease appears to be a result of the overall economy with private parties seeking economy for the catering portion of their events.

Café Lease

LaBou Café is the only authorized caterer with an on-premise kitchen in the Central Library building. The café has interior seating for 60, al fresco seating for an additional 70 and designated seating on the Galleria main floor when it is not reserved for rental events. Café lease revenues in FY 09/10 totaled \$54,835 and are 14% of the Galleria's total revenue. This is a 10% increase from the previous fiscal year and is in accord with the established contract between the Library and World of Good Tastes.

Bookings

Room bookings overall were less than the previous fiscal year. The Galleria itself was typically "dark" one weekend per month and an average of 13 weekdays per month for the last six months. The East and West Meeting Rooms are rarely "dark" on weekends and typically are not booked an average of two weekdays per month. Many return clients have booked for FY 10/11, primarily in the spring and summer months. Marketing efforts will focus on filling those days when bookings have not been secured.

CONCLUSION

Although the downturn in the general economy continues, and overall bookings were less than the previous fiscal year, the Tsakopoulos Library Galleria complex showed a slight increase in revenue during FY 09/10. This is likely a result of not increasing Galleria complex rental rates and providing a list of authorized caterers that have a wide range of meal options and reasonable costs. On the page following is a summary of Galleria Trends and Statistics.

The Tsakopoulos Library Galleria continues to promote profit-generating events and produce the maximum possible revenue for the Sacramento Public Library. Refreshing efforts continued last year with the installation of new shades in both meeting rooms, replacing worn and dated draperies. During the next fiscal year, both meeting rooms will be painted and the kitchenettes reconfigured to provide much needed storage of tables and chairs. Overhead projectors will be installed in both meeting rooms, allowing renters to make sophisticated presentations without having to transport additional equipment.

Marketing efforts in the next fiscal year will focus on participating in local corporate networking events and connecting with downtown partners to generate new opportunities for business rentals of the spaces during the work week. New brochures for both social and business clients will be developed; however, advertising efforts will focus more on Internet usage, such as Twitter and Facebook. Relationships with existing clients will be maintained and additional client areas explored.

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