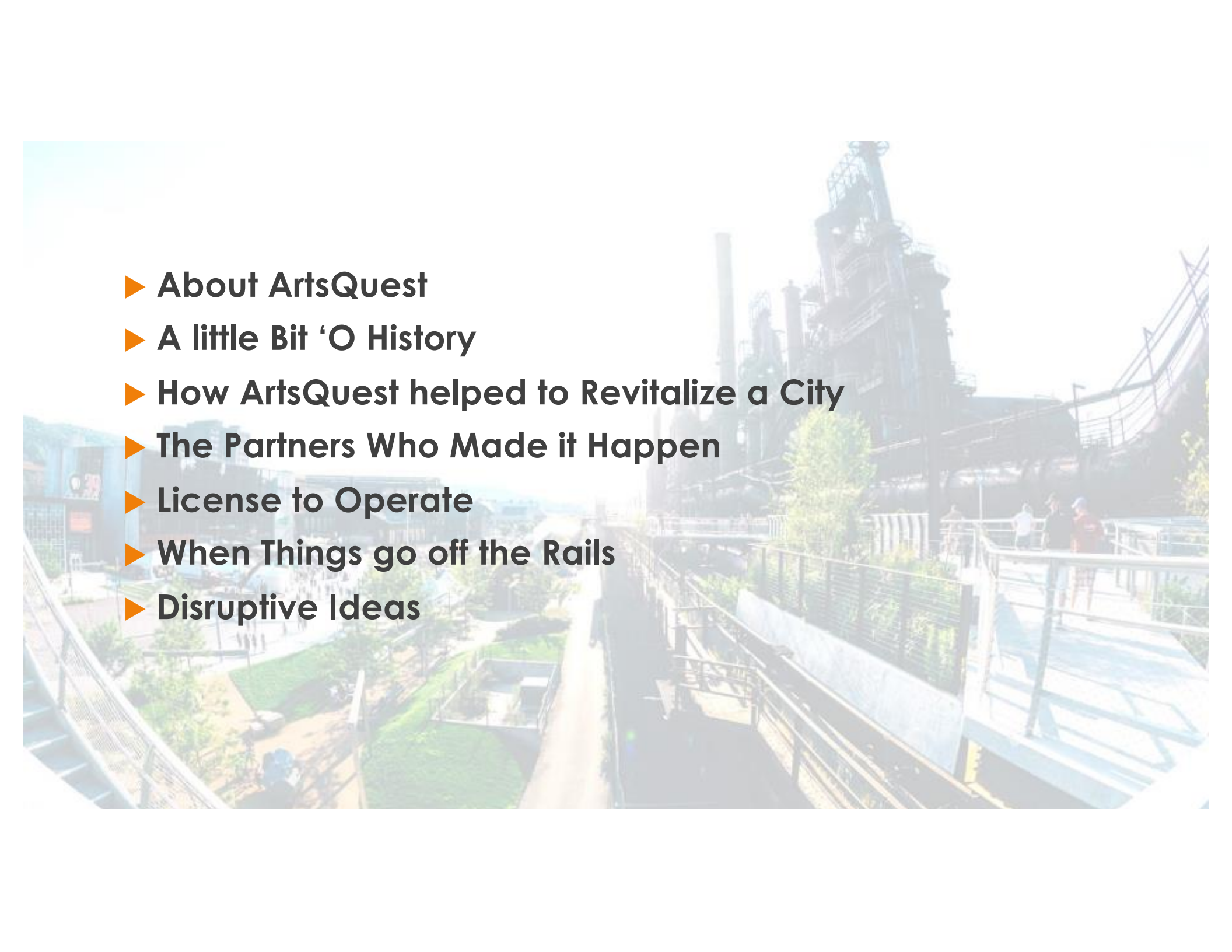




Conducting Musikfest (and so much more!)

**KASSIE HILGERT
PRESIDENT & CEO
ARTSQUEST**

- 
- ▶ **About ArtsQuest**
 - ▶ **A little Bit 'O History**
 - ▶ **How ArtsQuest helped to Revitalize a City**
 - ▶ **The Partners Who Made it Happen**
 - ▶ **License to Operate**
 - ▶ **When Things go off the Rails**
 - ▶ **Disruptive Ideas**

About ArtsQuest™



- ▶ Bethlehem, PA-based nonprofit serving nearly 2 million from 40 states and 6 countries annually
- ▶ 9th largest arts and cultural organization in Pennsylvania
- ▶ 35 year history of providing unparalleled access to the arts
 - Offering nearly 4,000 classes, concerts & events annually, 40% of which are free to the community
 - Utilizing arts and culture as vehicles for urban revitalization and economic development in a blighted area
 - Programming includes 11 festivals and numerous cultural events at the Banana Factory Visual Arts Center, ArtsQuest Center at SteelStacks, and Levitt Pavilion SteelStacks
 - We hire 1,200 visual and performing artists and educators annually, of which 50% are local talent
 - 30,000 youth served annually

About ArtsQuest



- ▶ 64 FT staff; 101 PT staff; 217 Seasonal Staff
- ▶ 1800 volunteers; 3,000+ ArtsQuest Members
- ▶ 210 corporate partners; 95 nonprofit, arts and community partners
- ▶ 5 governing boards; 18 committees
- ▶ Funding sources include:
 - ▶ Membership and Individual Donors
 - ▶ Hospitality (food & beverage)
 - ▶ Ticket sales
 - ▶ Sponsorships & grants
- ▶ Annual operating budget of \$22 million

> \$145 million in 2017 annual economic impact for the region

A Little Bit 'O History

- ▶ Bethlehem Steel was major employer from 1902-1995
- ▶ In 1983 Bethlehem Steel has second Black Friday, massive layoffs
 - Retail moving to the "mall"
- ▶ Bethlehem Steel plant ceases operations in 1995
- ▶ Bethlehem Steel Corporation declares bankruptcy in 2001, dissolved in 2003
- ▶ TIF passed in 2000
- ▶ Gambling legalized in 2004
- ▶ Sands Casino opens May 2009



Why Music...Why German?

Musikfest Concept

- ▶ Developed in May 1983 through the Chamber of Commerce
 - Bring tourists to Bethlehem
 - Support the downtown retail district
 - Enhance the image of the community
 - Ultimately to bring businesses and people to the City

Why Music...Why German?

- ▶ Moravians use music in worship
- ▶ Bethlehem's Bach Choir – oldest in U.S.
- ▶ Vibrant, local music scene
- ▶ Diverse styles of music
- ▶ Language of Bethlehem 1741 – 1840
- ▶ Nerd Alert: Downtown Bethlehem has the largest collection of 18th century Germanic architecture in the U.S.
- ▶ Over 20% of Americans identified as having a German background
- ▶ "Platz" is a fun word



First Musikfest® - August 18-26, 1984

- ▶ 250 live music performances
- ▶ 5 outdoor stages
- ▶ 1 indoor stage
- ▶ 182,000 attendees
- ▶ \$300,000 budget
- ▶ 300 volunteers
- ▶ Restored sense of pride in community
- ▶ Why did residents love Musikfest?
 - Music for all tastes
 - Food for all tastes
 - In their town
 - Affordable
 - Authentic



> \$39 million in 2010 Economic Impact

Christkindmarkt®

- ▶ Established in 1993
- ▶ Modeled after similar outdoor German holiday markets
- ▶ Two indoor tents
- ▶ 62 vendors and crafters
- ▶ Located in historic Moravian Area near Main street
- ▶ Capitalized on Christmas City brand
- ▶ Well received because it was authentic with attendance of 20,000



Banana Factory Visual Arts Center®



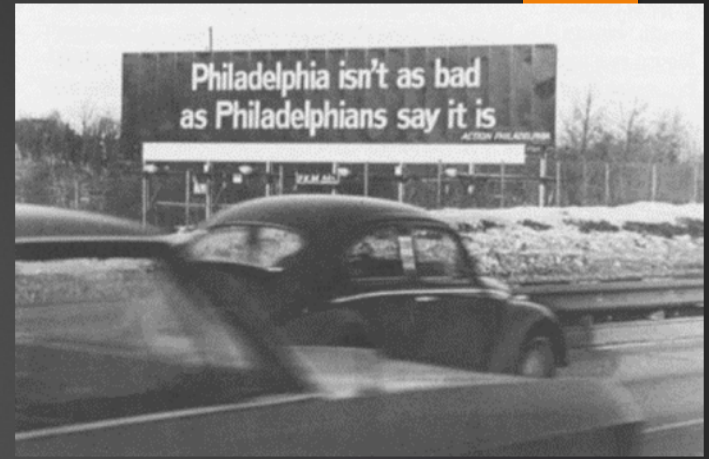
- ▶ First opened January 1998
- ▶ Former banana distribution warehouse
- ▶ \$5.5 million project
- ▶ Opened January 1998
- ▶ “South Side” of Bethlehem
 - Heavy industrial area
 - Lots of crime
- ▶ The Banana Factory Arts Center features:
 - 30+ resident studio artists
 - 2 award-winning galleries
 - 5 art classrooms
 - Olympus Digital Imaging Center
 - ArtsQuest Glass – hot glass studio
 - Pennsylvania Youth Theatre
 - Pediatric Cancer Foundation of the Lehigh Valley

The Origin of SteelStacks™



The Origin & Motive of SteelStacks

- ▶ Bethlehem Steel Plant ceases operations in 1995
- ▶ Bethlehem Steel Corporation declares bankruptcy in 2001, dissolved in 2003
- ▶ 1,800 acres; 20% of the City's tax base
- ▶ National Trust for Historic Preservation listed site as one of America's 11 Most Endangered in 2000
- ▶ The "Conceptual Age" and the "Rise of the Creative Class"
 - 40 million workers—30 percent of the U.S. expected to grow by over 10 million jobs in the next decade
 - The creative class does not live where the jobs/factories are
 - Creative workers are looking for cultural, social, and technological climates in which they feel they can best "be themselves"

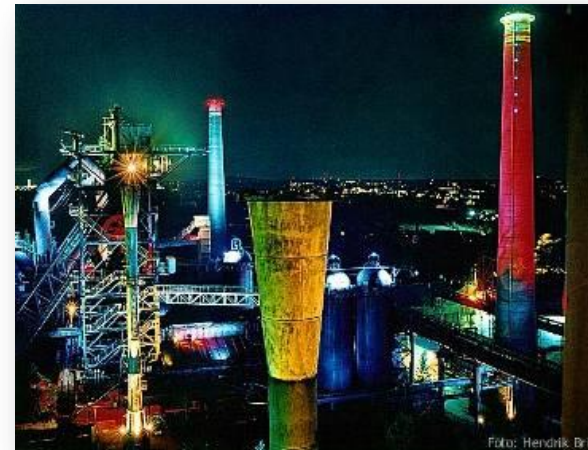


Back to Germany

- ▶ A former ironworks and steel plant, this area is now a UNESCO Cultural Heritage site offering tours, exhibits and events year round
 - We visited in 2002



Volker Hütten Germany



Landschaftspark Duisburg-Nord Germany



SteelStacks

We wanted to build:

- ▶ Arts & Cultural district providing
 - Indoor venues for year round programming
 - Outdoor venues for seasonal programs and festivals
 - A “Town Square” atmosphere where all parts of the community could come together
 - Visual arts components to contrast with rusting, industrial skyline
- Programming to attract the creative class
- Increasing access to the arts
- Opportunity for local and regional performing and visual artist
- Tourism development
- Authenticity

Slingshot Dakota

SteelStacks Challenges

- ▶ Canary in a coal mine
- ▶ Timing (2008)
- ▶ Location (an asset and a challenge)
- ▶ Large number of stakeholders (another asset and another challenge)





SteelStacks

- ▶ Community Outreach

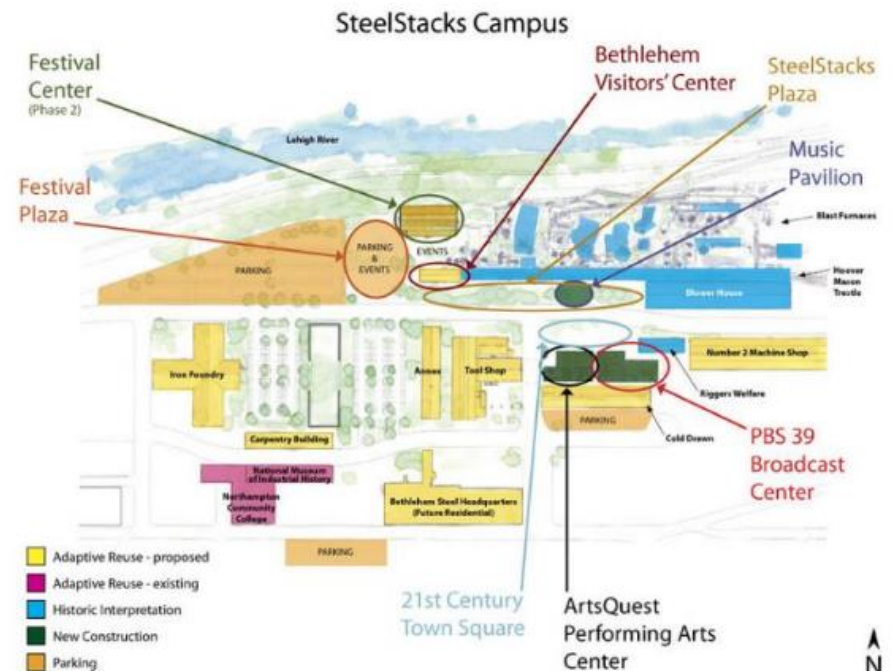
- ▶ 2006-2011: Extensive outreach to stakeholders to help design the physical assets and create campus programming

- Artists, Performers, Crafters
 - Board Members and other ArtsQuest Volunteers
 - Employers
 - Elected Officials
 - Sponsors; Members
 - Community Representatives
 - Architects

- ▶ Break ground in 2010

Key Partners

- ▶ Bethlehem Steel
 - The Bethlehem Steel Site is really two different redevelopment projects, using unique state incentives to successfully redevelopment one of the largest brownfields in the country:
 - 120 acre arts, education, entertainment and residential area known as BethWorks
 - 1 600 acre of industrial site with mixed use commercial development
- ▶ City of Bethlehem
- ▶ Bethlehem Redevelopment Authority
- ▶ Bethlehem Area School District
- ▶ Northampton County
- ▶ Sands Casino Resort
- ▶ Sands Bethlehem Retail LLC
- ▶ ArtsQuest Investment: \$26M
- ▶ TIF Funds: \$70M





The ArtsQuest Center Before



The ArtsQuest Center Now



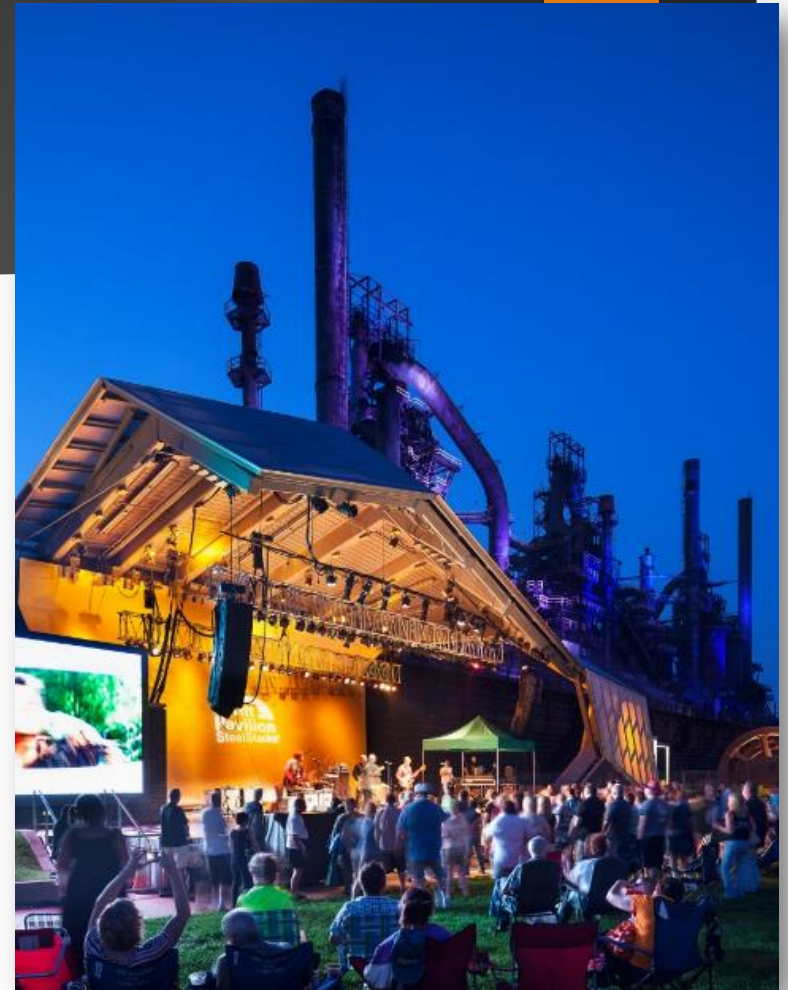
The Levitt Pavilion Before



The Levitt Pavilion Now

Levitt Pavilion SteelStacks

- ▶ 1 of 9 in the United States
 - Arlington
 - Bethlehem
 - Dayton
 - Denver
 - Los Angeles
 - Memphis
 - Pasadena
 - Sioux Falls (2019)
 - Westport
- ▶ Minimum of 50 free, live, family-friendly concerts per year
 - 77,000 attendees in 2017
- ▶ 10 Family Movie Series each summer
 - 2,000 attendees annually
- ▶ Concert Movie Series
- ▶ Gated Concerts (capacity of 4,400)





Visitor Center at SteelStacks Before

presented by St Luke's
University Health Network

Visitor Center at SteelStacks Now

presented by St Luke's University Health Network

- ▶ Built in 1863
 - Iron Storage, pre-dates Bethlehem Steel
- ▶ Sponsored by St. Luke's University Health Network
- ▶ ArtsQuest Manages for Discover Lehigh Valley
- ▶ Indoor Restrooms
- ▶ Interactive Displays
- ▶ Private Events
- ▶ ArtsQuest Offices





PNC Plaza
Before



PNC
Plaza
Now



Hoover
Mason
Trestle
Before



Hoover
Mason
Trestle
Now



So, Did it Work?

Economic Impact

SteelStacks Campus

- ▶ 2011: \$27,303,836
- ▶ 2017: \$59,556,137

Musikfest

- ▶ 2010: \$39,000,000
- ▶ 2017: \$73,223,087

Christkindlmarkt 2017: \$5,700,909

Banana Factory 2017: \$4,466,727

Total ArtsQuest Economic Impact for 2017: \$145,301,503



SteelStacks

▶ Festivals

- ▶ Improv Comedy Festival
- ▶ SouthSide Arts & Music Festival
- ▶ Blast Furnace Blues
- ▶ RiverJazz presented by Concannon Miller
- ▶ Sabor! Latin Festival
- ▶ Step Outdoors Lehigh Valley
- ▶ Soccerfest
- ▶ Sangriafest
- ▶ Musikfest
- ▶ Oktoberfest
- ▶ InVision Photo Festival
- ▶ Christkindlmarkt Bethlehem
- ▶ PEEPSFest



Our Major Brands

ARTSQUEST™
imagine that



Tourism Development

- ▶ Nearly 2 million visitors annually



Musikfest Café presented by Yuengling



Musikfest

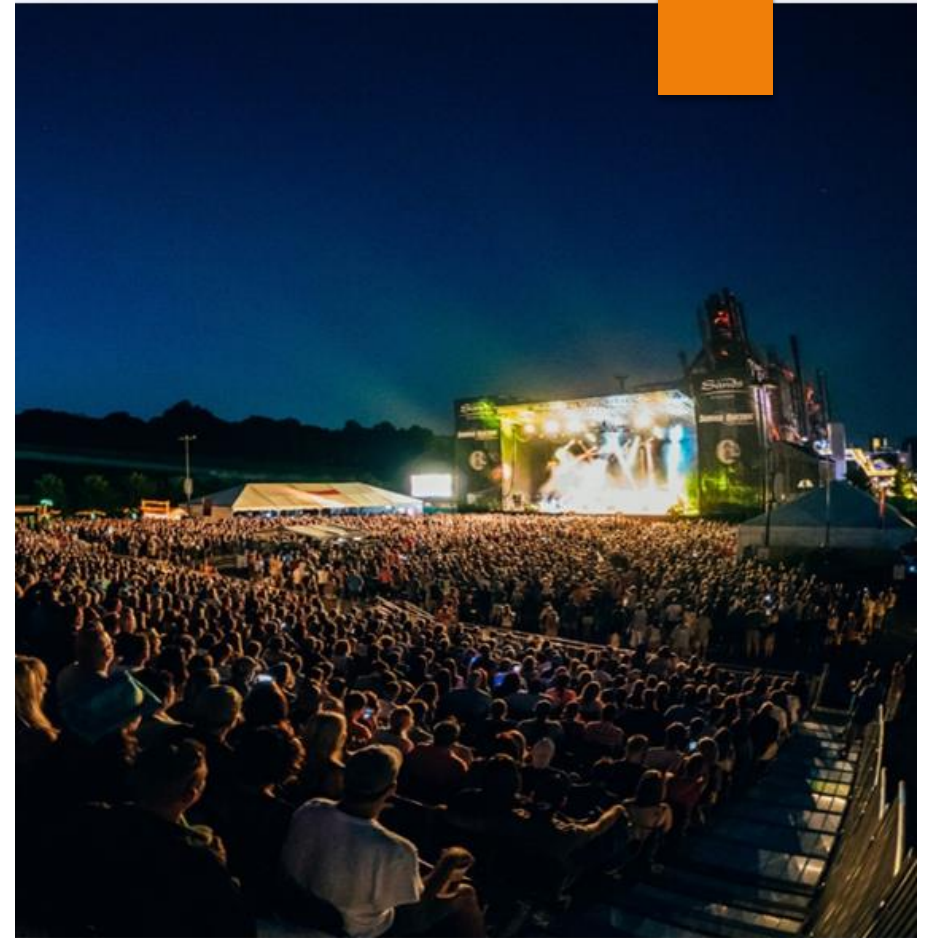
The ArtsQuest Impact

- ▶ For the last **35 years** the arts program of ArtsQuest have assured Bethlehem constant positive media, even during the darkest hours of the collapse of Bethlehem Steel. In the ear of social media an lists for everything, Bethlehem and ArtsQuest program now appear regularly on “best of lists” including:
 - ❖ **The Best Places to Retire** – Money Magazine – October 2016 and May 2017
 - ❖ **60 Great things to see Around the Globe (Musikfest)** – Chicago Tribune – December 2016
 - ❖ **Top Christmas Markets Around the World (Christkindlmarkt)** – Bloomberg News – December 2015
 - ❖ **Best Cities to Live** – Wall Street 24/7 – November 2015
 - ❖ **Top 10 Most Idyllic and Historic Main Street** – USA Today – May 2015
 - ❖ **Best Christmas Markets Around the World (Christkindlmarkt)** – Conde Nast – December 2014
 - ❖ **Best Summer Festivals (Musikfest)** – National Geographic – August 2014
 - ❖ **10 Most Exciting Places to Live in PA** – Movato Blog – July 2014
 - ❖ **10 Best Places to live in PA** – CBS Philly – July 2014
 - ❖ **Best Summer Stages (Musikfest)** – New York Times, 2012, 2013, 2014
 - ❖ **9 Destinations to Visit this Holiday Season (Christkindlmarkt)** – Forbes – November 2017

Musikfest

Musikfest 2018

- ▶ 35th year: August 3-12
- ▶ Largest non-gated, free music festival in the U.S.
- ▶ 2018 attendance: Nearly 1 Million
 - Visitors from 40 states and 6 countries
- ▶ 550 performances by more than 400 artists on 16 stages
- ▶ 15 stages are free; 1 ticketed
- ▶ 60+ food vendors
- ▶ Largest stage (pictured): 6,500
- ▶ Smallest stage: 100
- ▶ Festival footprint of 22+ acres in Historic Bethlehem & 34 acres at SteelStacks



Musikfest: What it Takes



Site Coordination

City of Bethlehem
Bethlehem Parking Authority
Historic Bethlehem Museums & Sites
Bethlehem Area Moravians
Central Moravian Church
Norfolk Southern
LVIP
Lehigh Valley Corporate Center Assoc.
Bank of America
Sands Resort Bethlehem
Buxmont Academy
Sun Inn



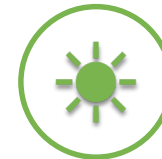
Safety & Security

City & County
Dept. of Homeland Security
FBI
Health Department
Fire & Police Departments
Area Hospitals
Local Red Cross



Artist Coordination

400 acts
9 countries
Hotels
Transportation
Sound Checks
Food & Beverage
Music Arts Committee



Weather

EPAWA
National Weather Service
Mountain Stage Productions



Before the First Note

ArtsQuest invests \$7.5M
and hope we have good
weather

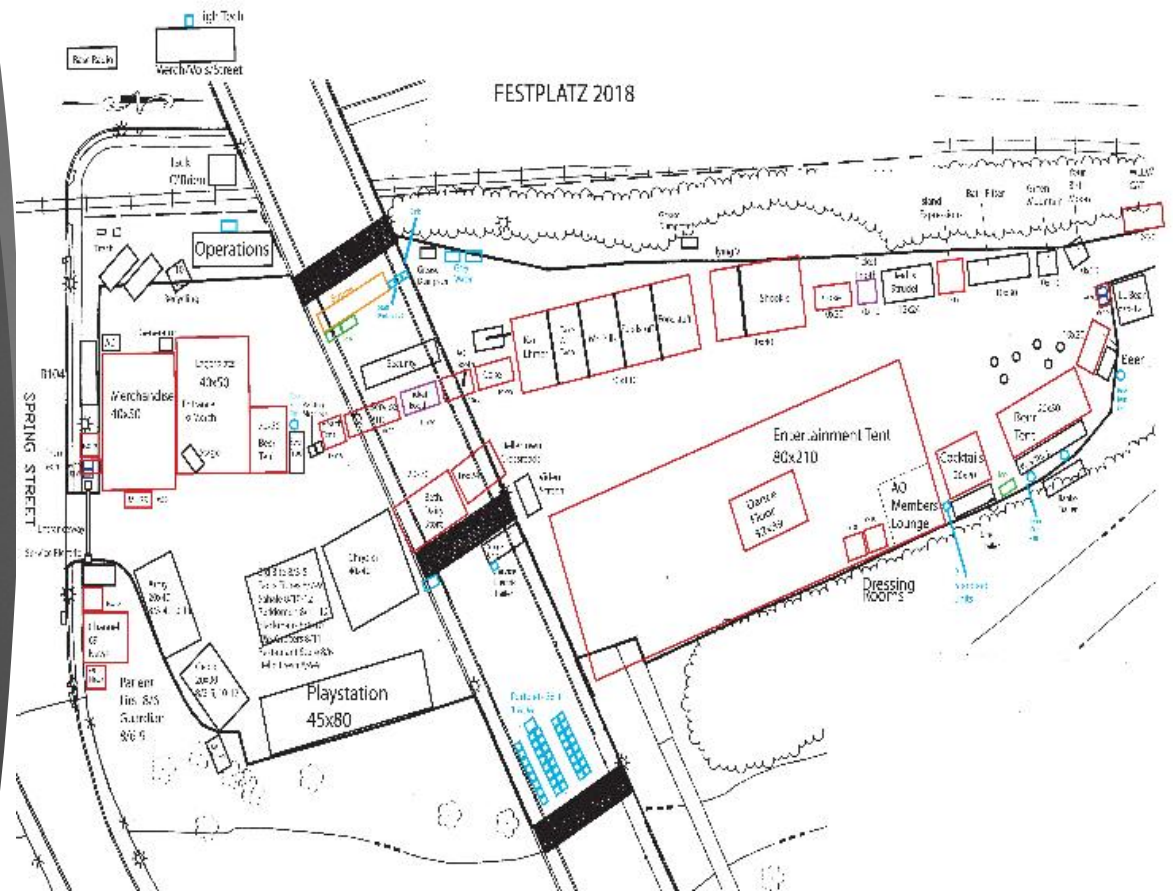
Contracts:

37 Food Vendors
148 Sponsors
10 Retail Vendors
47 Crafters
49 Media Partners

Musikfest® 2018 Logistics

- ▶ Festival Set up: 14 days
- ▶ Festival Tear down: 4 days
- ▶ Total Acreage: 56+
- ▶ Bags of Ice used: 4,335
- ▶ Tables: 1,012
- ▶ Chairs, 6,394
- ▶ Pot-O-Johns: 203
- ▶ Total Tents: 123
- ▶ Kids Crafts: 800/day
- ▶ Public Art: 2,000 children/families daily
- ▶ Musikfest Mugs Sold: 29,248 current year & 2,314 previous years
- ▶ Cans of Beer: 44,424
- ▶ Kegs of Beer: 1,280
- ▶ Bottles of Liquor: 3,227
- ▶ Operations Staff Set Up & Tear down: 286 hours
- ▶ Merchandise Staff Set up & Tear down: 394 hours
- ▶ 35 volunteers assisted with set up/tear down providing 404 hours of labor at a value of \$9,975
- ▶ Sands Steel Stage 4 day build / 3 day tear down
- ▶ Free stages 2 day build / 2 day tear down
- ▶ Production 2 day build / 1 day tear down

Musikfest 2018 Logistics – Festplatz



License to Operate

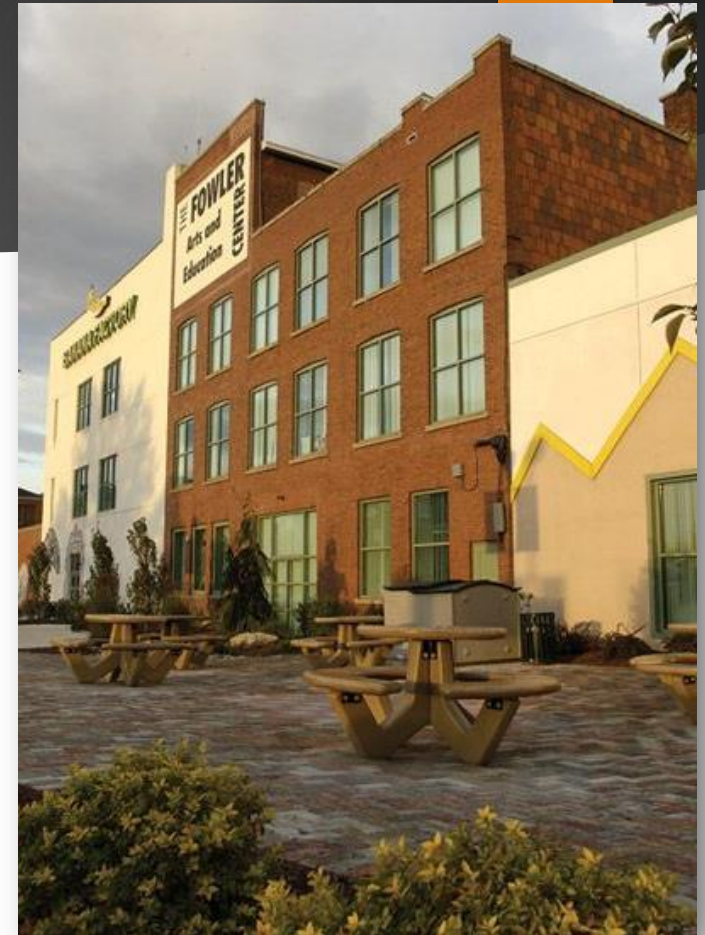
- ▶ Part of our DNA as a non-profit
- ▶ Act as the Arts & Culture Bureau for the City and surrounding areas
- ▶ Public Officials have a big bullhorn
- ▶ **When It Works**
 - Musikfest:
 - Special Occasion Permit
 - Lease public land from the City of Bethlehem for Musikfest
 - SteelStacks:
 - Received significant public funds for SteelStacks
 - City, County, State and Federal Level



Off the Rails

When It Doesn't

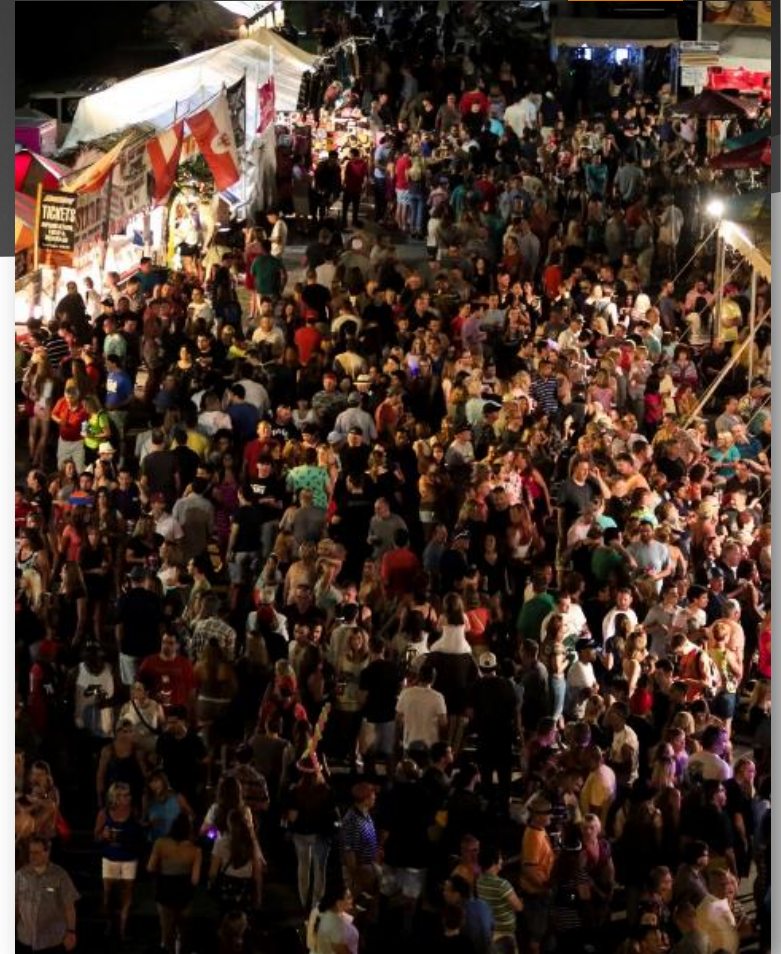
- ▶ Example #1: Newly elected Northampton County Executive, under budget pressure, challenges Banana Factory tax-exempt status in late 2014
 - \$50,000 annual tax implication
 - Stops redevelopment project and capital campaign
 - Resolution: required legal and political channels
 - Political outreach much more effective than legal (and less expensive)



Off the Rails

When It Doesn't

- ▶ Example #2: City of Bethlehem elects new mayor in 2014, new chief of police, new department heads
- ▶ Previous mayor in office from 2003 – 2013 and had partnered with us on redeveloping Bethlehem Steel
- ▶ We didn't tell our story to the new Mayor
- ▶ And then Musikfest happened



Set Weather

Set

Bethlehem 'unanswered da policing cha



POLLSTAR

Showing: 16,387 Artists | 99,306 Events

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MOBA HAS ARRIVED
ON XBOX ONE

MY POLLSTAR

CONCERTWIRE

PHOTO

FIND AN
EVENT

type in artist, band, venue or city

AVERAGE TICKET PRICES

Changes Considered For Musikfest

12:01 PM Wednesday 8/27/14


0

Like

4

Tweet

The mayor of Bethlehem, Pa., said he will soon meet with organizers of the annual festival Musikfest to consider changes because of several violent incidents.



Musikfest

in Bethlehem, Pa.


0

Like

0

Subscribe

Won't go kfest



experience
expertise

Off the Rails

What We Did:

- ▶ Example #2: Beginning in August 2014 and ongoing, held monthly meetings with Mayor, Police, Fire, EMS, Northampton County Emergency Response, and others
- ▶ Conduct annual table top crisis communication exercises
- ▶ Developed new response protocol
- ▶ Regular meetings with the Mayor the first weekend of Musikfest, visiting every storefront on the North Side



DISORDERLY CONDUCT



Yelling and Screaming...NO



not happy



fighting...NO



What?

One of the most common violations is Disorderly Conduct. This is primarily used for people who are disturbing the peace, physically fighting, yelling obscenities towards others, threatening others, repeatedly being obnoxious, throwing things in a crowd, making excessive noise and/or creating problems. These types of behaviors will not be tolerated and may result in your arrest for Disorderly Conduct. Think of it this way, if your mother was with you, would she be embarrassed and ashamed of your behavior. If the answer is yes, you are probably being Disorderly.

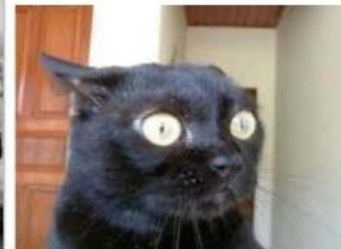
ALCOHOL POLICY



Stop your whining!



Your next date....



OMG!

you.

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to traffic,
ention to
in a
be OK.



Bethlehem police said Musikfest arrests were the lowest in a decade





News / Local News / Musikfest 2016

In a climate exploding with music festivals, Musikfest stays on its own path

AUGUST 13, 2016, 10:01 PM

In recent years, there's been an explosion of big music festivals throughout the United States — from Coachella in California to Bonnaroo in Tennessee to Pitchfork in Chicago to the 5-year-old Firefly in Delaware.

All are growing, and nearly all operate in the same way: Multiple large stages that each offer multiple headline acts. All have large, gated grounds, with a single-ticket admission.

Yet one of the biggest music festivals of all — Musikfest, which today completes its 33rd year and annually brings a million people to downtown and South Side Bethlehem — does none of those things.

It has just one main venue, Steel Stage, that offers just one act a day. Those are the only paid-admission shows among the more than 500 performances at the 10-day festival. All others are on free stages throughout an ungated festival area.

AUG. 13, 2016

Cheyenne Mitchell of Villanelle came to Musikfest with her family to play the game.

"I'm just here for the Pokemon," said Mitchell.

Her mother, Shelly Mansell, became an avid fan of the game shortly after her daughters introduced it.



lehighvalleylive

Bethle last yo



Bethlehem police say this
likely due to record crowd



By Pauline
Of The (

Musikfest's [record-setting attendance](#) this year also led to more arrests, Bethlehem police reported.

On Tuesday, Bethlehem police Chief Mark DiLuzio said the department made 36 arrests at the 10-day festival -- 27 adults and nine juveniles. That's compared to [16 arrests in 2016](#), and 22 arrests the year before that and 41 arrests in 2014.

The most arrests made during Musikfest in the past decade were in 2011, with 81 incidents.



Musikfest 2017 set a new attendance record, ArtsQuest says

Good weather, more performers and some bigger names on the free stages helped.

The festival, which ran Aug. 4 through Sunday, brought an estimated 1,196,000 attendees to Bethlehem. Attendance was 957,000 in 2016, and 1.14 million in 2015.

Out of the arrests, 24 were out-of-towners and 12 were locals, police said.

up from

SECTIONS  SEARCH

THE MORNING CALL

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WEDNESDAY AUG. 22, 2018

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News / Breaking News

Police say Musikfest arrests down sharply from last year



THE MORNING
CALL

LARGEST IN STOCK
SELECTION OF
HARD SURFACE
FLOORING

DIY'ers
Extra
5%
OFF

Sign up for our NEW Lehigh Valley Crime & Punishment newsletter

Disruptive Ideas

- ▶ Disrupt the Idea of Performance Space
- ▶ We put performances and programming anywhere and everywhere
 - Parking lots
 - Parks
 - Streets
 - Churches
 - Schools
 - Playgrounds
 - Restaurants
 - Museums
 - Cinema as concert stage



Disruptive Ideas

Think Big

- ▶ In 2014, we had been open for three years and were still trying to build awareness of SteelStacks, especially with Millennials/Minorities
- ▶ World Cup and SteelStacks
 - Home to Bethlehem Steel FC
 - Growing popularity of Soccer
 - We had lots of space
 - Created extensive partnerships to capitalize of broad and specialized outreach
 - And then we rolled the dice



New Festivals & Events



- ▶ 2014 Official FIFA World Cup Viewing Party
 - ▶ Content included:
 - 3 Giant LED Screens (2 permanent, 1 rented)
 - Merchandise vendors including a line of Bethlehem Steel T-shirts, Scarves & hats created by Mitchell & Ness
 - Concerts that coincided with teams playing (Who Tribute Band after England vs Italy)
 - Youth clinic for children with disabilities
 - Philadelphia Union interactives & free clinic for all kids 5-10
 - ▶ Why at SteelStacks? The Legend of Bethlehem Soccer
 - ArtsQuest's SteelStacks campus was built in the shadow of the blast furnaces on the grounds of the former Bethlehem Steel plant.
 - With the backing of the Bethlehem Steel company, the Bethlehem Steel Football Club was arguably the most successful and decorated team in US soccer history.
 - In 1914, the team went professional as Bethlehem Steel FC winning 11 national championships over the next 14 years

Disruptive Ideas

- ▶ 2014 Official FIFA World Cup Viewing Party
 - This is what it looked like



New Festivals & Events

2015

- ▶ Official FIFA Women's World Cup viewing Party
- ▶ Cars & Coffee

2016

- ▶ SouthSide Arts & Music Festival
- ▶ Food Truck Border Brawl
- ▶ Sangriafest
- ▶ Olympic Viewing Party at Musikfest

2017

- ▶ SteelStacks Grand Prix

2018

- ▶ Mascot Dash & Dine



In Summary

- ▶ About ArtsQuest
- ▶ A Little Bit 'O History
- ▶ How Festivals & Events revitalized a city
- ▶ The Partners Who Made it Happen
- ▶ License to Operate
- ▶ When Things go off the Rails
- ▶ Disruptive ideas





Questions?