

November 9, 2020

TO: Board of Directors

FROM: Jonathan Tepper, Heller An Shapiro

RE: Office Relocation Planning

Background:

During the September 21, 2020 Board meeting:

Board members discussed whether or not to try to move the office and costume shop to a cheaper, yet functional, location. The Arts and Humanities Council of Montgomery County (AHCMC) our second biggest funder to date, requires that ArtStream maintain a primary office in Montgomery County.

Board members discussed the use of shared professional office space or sharing with a partner nonprofit. Staff have expressed interest in working from home, along with anxiety about returning to the office. There may be additional purchases required to make working from home viable for the long term, including items such as printers, scanners, or upgraded internet service.

Board members agreed to begin investigating new office/storage space that would meet our needs and reduce our rental costs of over \$38,500 per year. Jonathan Tepper offered to work on identifying office space/costume shop options. Heller An will meet with Shelly Bogasky to discuss sharing warehouse and office space with Special Olympics MD.

The lease for the current office at 8401 Connecticut Ave., is through December 2022. There is no termination clause in the lease.

Progress:

September 29, 2020: Heller An Shapiro met with Shelly and John Bogasky Sr. Special Olympics MD is looking for new space for occupancy starting in summer 2021, in the area of Gude Drive and Crabbs Branch Way, Rockville, MD. This fits with our requirement to maintain a main office in Montgomery County.

Planning:

An agreement approved by the SOMD and ArtStream Boards should include:

1. Whose name is on the lease? Is this shared space or sublet?
2. What is the anticipated term for the lease?
3. How will changes be handled? E.g.: If one party needs to terminate the arrangement or needs more or less space in future
4. How will insurance for the space be handled?
5. How will security needs be handled for each organization?

ArtStream space requirements:

ArtStream currently has 1,060 SF of office space and 1,000 SF of Costume Shop/storage space. 2,000-3,000 sq. feet of storage space for the costume shop and some organizational record storage. ArtStream offered to share the currently leased color copier, as well as office furniture (desks, conference table for 6 people, bookshelves and filing cabinets).

Additional requirements:

1. If possible, we would also like to have storage/warehouse space that is well ventilated, allowing us to set aside about 700 Sq. feet for painting set flats. Water or access to water to rinse brushes would be helpful. This activity only takes place for a few hours, 3 times/year.
2. The “office” space will likely be used for short term large projects, including organizing T-shirts or getting a large mailing out.
3. A formal space for meetings with 1-2 people (job interviews, staff one-on-one meetings).
4. Free parking
5. Easy load-in/load-out access for a truck.
6. Safety, especially nights/weekends

Recommendation:

At this time, we will not request a reduction in our current office rental payments. When we have a specific plan and know the financial impact, we will be better prepared to negotiate a way out of the lease.

We are seeking reduction of current rent by 50% or more.

Board and Staff will monitor the situation and review in early 2021.