

Proposal Summary
Meeting Date: 10/15/2019

Arts Alliance Illinois Request # 115978

Project Title:	Center for Creative Entrepreneurship
Duration:	36 months
Request Amount:	\$500,000
Recommended Amount:	\$500,000
Program Area:	Education\Continuing Education\Adult\Entrepreneurship
Population Served:	General Public
Type of Support:	Program Support\New Program Initiation
Location:	Chicago, IL
Staff:	Rosa Berardi

Organizational Background

Arts Alliance Illinois (Alliance) is a statewide organization established in 1982 that provides services and advocacy for the cultural sector and creative industries. Through statewide civic engagement, they position arts and culture as a source of creative solutions to a broad range of challenges. Through arts education, they promote arts-centered learning and development of a creative and adaptive workforce. Through cultural equity, they foster equitable access and participation in arts and culture and advance historically neglected or marginalized forms of expression.

Finances

	Budget	Actual	Actual
	2020	06/30/2019	06/30/2018
Revenues	\$934,150	\$909,823	\$762,960
Expenses	\$928,230	\$893,336	\$707,150
Surplus (Deficit)	\$5,820	\$16,487	\$55,810
Net Assets		\$274,054	\$538,592

Annual Revenue Sources

Grants	39%
Fees	11%
Government	15%
Private Support	34%
Earned Income	3%
Other	0

Program Description

The Arts Alliance will provide programmatic and fiscal sponsorship along with 2112 Chicago to launch the Center for Creative Entrepreneurship (CCE). The Alliance will provide financial oversight, administrative support, promotion of resources to its state-wide member base, and will assist with identifying partner organizations. 2112 is Chicago’s first incubator focused on the development of business and entrepreneurs in music, film/video and creative technology. 2112 will be responsible for providing overall direction for the project, hiring staff, and will take the lead on fundraising.

2112 will develop the Center for Creative Entrepreneurship and serve as the programmatic lead. The CCE will be an umbrella organization coordinating several business entities to support entrepreneurship in the creative industries through ongoing hands-on training, mentorship, networking events, industry sector specific boot camps/accelerator programs, and collection of content for both artists and creative entrepreneurs.

As technology continues to alter the landscape of the creative sector, entrepreneurial skills are needed more than ever. Educational resources, industry connections, and career pathways are often not easily identified by artists and creative entrepreneurs, particularly within historically marginalized and underserved populations. The majority of arts programs at educational institutions still lack business and entrepreneurship training and real-world experience. CCE will be established to address the fragmentation of existing resources, lack of clarity on creative industry pathways, and disconnect between academic education and real-world experience/industry learning.

CCE will work with colleges, universities, and trade schools to supplement entrepreneurship education and build real world industry connections. CCE will convene key organizations from each focus industry (Music, Film/Video, Dance, Theater, Fashion, Visual Arts/Design, Media, Sports, Culinary) to address the entrepreneurial needs of both artists and creative businesses. Partners will include organizations such as, the Chicago Artists Coalition, Lawyers for the Creative Arts, Self-Employment in the Arts, Chicago Music Commission, Women in Music, Free Spirit Media, Cinespace/Stage 18, Audience Architects / SeeChicagoDance, League of Chicago Theaters, Chicago Sports Commission, and Amped Kitchens.

CCE intends to support entrepreneurship in the creative industries through ongoing hands-on training, mentorship, networking events, industry sector specific boot camps/accelerator programs for both artists and creative entrepreneurs. CCE will assess, aggregate, and amplify the existing educational resources of arts and creative industries organizations throughout the region as well as develop new programs, content, and curriculum to address gaps in existing resources. CCE will maintain a focus on equity, ensuring its programs engage diverse creative entrepreneurs. It will partner with programs from Kennedy-King/City Colleges, Cook Workforce Partnership, The Quarry, Cara, neighborhood chambers of commerce, and additional community based organizations.

CCE will offer a variety of programming, such as, in person workshops and panel discussions. Online content will focus on general business (finance, law, sales, marketing, etc.) as well as industry-specific topics. Content will be an array of 2112 current programs, supplemented with skill-based training to address the needs of both artists and businesses in each target industry. Intensive bootcamps/accelerator programs will be modeled after 2112's Production Academy to develop specific skill sets needed for each industry (e.g. live event production, recording, video production, web/app development, entrepreneurship, etc.). Networking events will be hosted to link aspiring entrepreneurs with industry specific businesses and mentors. Pitch events will be hosted to provide feedback on business ideas and make connections to potential funders. One-on-one mentor sessions will be virtually hosted at partner organization facilities offering guidance and feedback from industry and business leaders. Conferences will be organized providing panel discussions, individual presentations, pitch sessions, networking, and mentor sessions to support creative entrepreneur and artist professional development.

In the first year, through direct efforts and partner organizations, CCE will offer:

- 100 workshops/panel discussions each ranging from 10-150 attendees
- Nine intensive bootcamps (one for each industry) with at least 25 attendees per bootcamp
- Four pitch events featuring at least five business ideas per event
- At least one industry conference for 400 people
- 12 Networking events averaging at least 100 people per event
- 300 one-on-one mentor sessions with industry professionals
- Online programming with reach to more than 250,000 people

Strengths / Weaknesses

Strengths

- Collaboration between Alliance and 2112 allows for multidisciplinary reach across Chicago and Illinois. Partnerships allow greater reach to artists and art businesses.
- CCE will be inclusive of all creative industry stakeholders and build out programming to maximize stakeholder engagement.
- Comprehensive effort to tie academic learning and industry specific experience will lead artists to be better equipped for business and industry.
- CCE will foster collaboration and shared resources between educational institutions as well as siloed professional industry organizations.

Weakness

- Although appears to be a well formulated effort to establish a Center for Creative Entrepreneurship, uncertainties exist as with any initial program startup.

Why Fund

For a few years, CFI encouraged Self-Employment in the Arts to expand to the Chicago audience. As a result, SEA partnered with 2112 to host the 2019 SEA conference. In the meantime, 2112 discovered that aspiring artists lack industry specific experience and require business skills and knowledge to be successful in their artistic pursuits. Thus, the team who launched 2112, realizes the opportunity to bring arts organizations together under one umbrella i.e., the Center for Creative Entrepreneurship to integrate and coordinate a method to link academic education with specific experience in creative industries.

Through partnerships with various artists and arts support organizations, CCE will bridge networks to train individuals in entrepreneurship concepts and foster industry experience across sectors. Collaboration with programming partners throughout the region will raise awareness of resources available to artists and entrepreneurs in order to support industry professionals, develop an artistic workforce, and economic advancement for the creative sector. With funding to hire staff for CCE to supplement the efforts of the 2112 team, we have reason to believe CCE has the potential to impact the creative sector and successfully deliver on this project.

Prior Grants

This would be a first-time grant to Arts Alliance Illinois.

A three-year budget is presented below to demonstrate budgetary needs during the program initiative phase. With this being the startup of a new program, it will take a few years to get a good leeway in order to successfully impact the creative sector. CCE's intend it to be able to use this funding to supplement other fundraising efforts.

Grants Budget

Expenditure Category	Year 1: Fall 2019-Fall 2020			Year 2: Fall 2020-Fall 2021			Year 3: Fall 2021-Fall 2022		
	Total	Recommend	Other Sources	Total	Recommend	Other Sources	Total	Recommend	Other Sources
Salaries & Fringes	\$153,000	\$105,000	\$48,000	\$157,590	\$105,000	\$52,590	\$162,318	\$60,000	\$102,318
Fees for artists, creatives, other workshop content providers	\$40,000		\$40,000	\$40,000		\$40,000	\$40,000		\$40,000
Technology /Video Equipment/Lighting, etc.	\$60,000	\$60,000	\$0			\$0			\$0
Marketing/Advertising/Program Evaluation	\$30,000	\$25,000	\$5,000	\$25,000	\$20,000	\$5,000	\$25,000	\$20,000	\$5,000
Office Space	\$7,000	\$7,000	\$0	\$7,000	\$7,000	\$0	\$7,000	\$5,000	\$2,000
Scholarships/Fee Waivers for eligible participants	\$50,000	\$30,000	\$20,000	\$50,000	\$15,000	\$35,000	\$50,000		\$50,000
Administration & Fiscal Sponsorship (20%)	\$68,000	\$20,000	\$48,000	\$55,918	\$13,000	\$42,918	\$56,864	\$8,000	\$48,864
Total	\$408,000	\$247,000	\$161,000	\$335,508	\$160,000	\$175,508	\$341,182	\$93,000	\$248,182