

EDMONDS PUBLIC FACILITIES DISTRICT / EDMONDS CENTER FOR THE ARTS

Annual Report to Snohomish County Council

The Edmonds Public Facilities District (District) and Edmonds Center for the Arts (ECA) concluded 2024 with strong community engagement, continued recovery in audience attendance, and sustained activity across presented programming, rentals, and education initiatives. The year-end financials as of December 31, 2024, reflect solid public demand for the arts alongside the ongoing financial pressures facing performing arts organizations nationwide.

Total operating revenues reached **\$3.2 million**, or **94% of budget**, with ticket sales showing exceptional strength, growing **24% year over year**. This increase highlights the community's continued confidence in ECA's programming and the venue's relevance as a regional cultural hub.

Rental activity remains a significant contributor to earned revenue and community usage. In 2024, ECA generated **\$794,039** in rental income, an increase of **7.6%** over 2023 (**\$738,192**). This growth reflects steady demand from community groups, schools, regional arts organizations, and multi-day rental clients. Rentals continue to support ECA's earned revenue base while driving tourism activity and expanding the venue's visibility and impact throughout the region.

Education and Community Engagement programs remain central to ECA's mission. In 2024, thousands of students, families, and community members participated in school matinees, workshops, artist residencies, sensory-friendly events, and programs co-created with local nonprofits and educators. These initiatives broaden access to the arts and support multi-day artist visits that contribute to regional tourism. This mission-based programming enriches cultural life across Snohomish County and reinforces ECA's role as a valued public-benefit institution.

Operating expenses totaled **\$3.88 million**, slightly below the budgeted **\$4.06 million**, resulting in a favorable variance of **3.2%**. Despite strong budget discipline, costs remain elevated due to inflation, production labor requirements, and the realities of operating a historic performing arts facility. As in prior years, these pressures continue to produce an operating deficit. These results underscore a long-standing reality shared by mid-sized performing arts centers: **ECA's operating model is not intended to be fully funded through earned revenue alone**. Instead, the model relies on a blend of earned revenue, contributed support, state and county sales tax distributions, and lodging tax allocations to sustain operations, maintain facilities, and service long-term debt.

Non-operating revenue—including City and County Lodging Tax grants, the Washington State Sales Tax Rebate, revenue passed through to the District from the Snohomish County Public Facilities District, and general support contributions—remains vital to achieving financial balance. These funding streams support tourism, protect critical facility infrastructure, and help meet annual debt obligations tied to the original 2006 renovation. In 2024, ECA generated more than **350 hotel room nights** through the Presented Artist Series alone, with additional room nights from rentals, education programs, and partner events—further solidifying its role as a regional driver of tourism and economic activity.

While operating performance remains stable, **the most urgent challenge facing ECA is the aging condition of its campus and essential building systems**. HVAC, electrical, life-safety, theatrical, and accessibility systems are approaching or exceeding end-of-life. Long-term facility planning identifies significant capital needs necessary to preserve safety, operational continuity, and the venue's competitiveness as a modern cultural and tourism destination. These needs cannot be addressed through annual operating revenue or current reserves and will require a **comprehensive, multi-year capital funding strategy**.

Beginning in 2026, ECA will launch implementation of its new strategic plan, which emphasizes financial sustainability, addressing critical capital needs, and strengthening ECA's role as a cultural, economic, and accessible tourism anchor for the region. With continued partnership between the District, ECA, staff, the City of Edmonds, Snohomish County, and community stakeholders, ECA is positioned to enter its next chapter with increased stability, strategic focus, and long-term resilience.