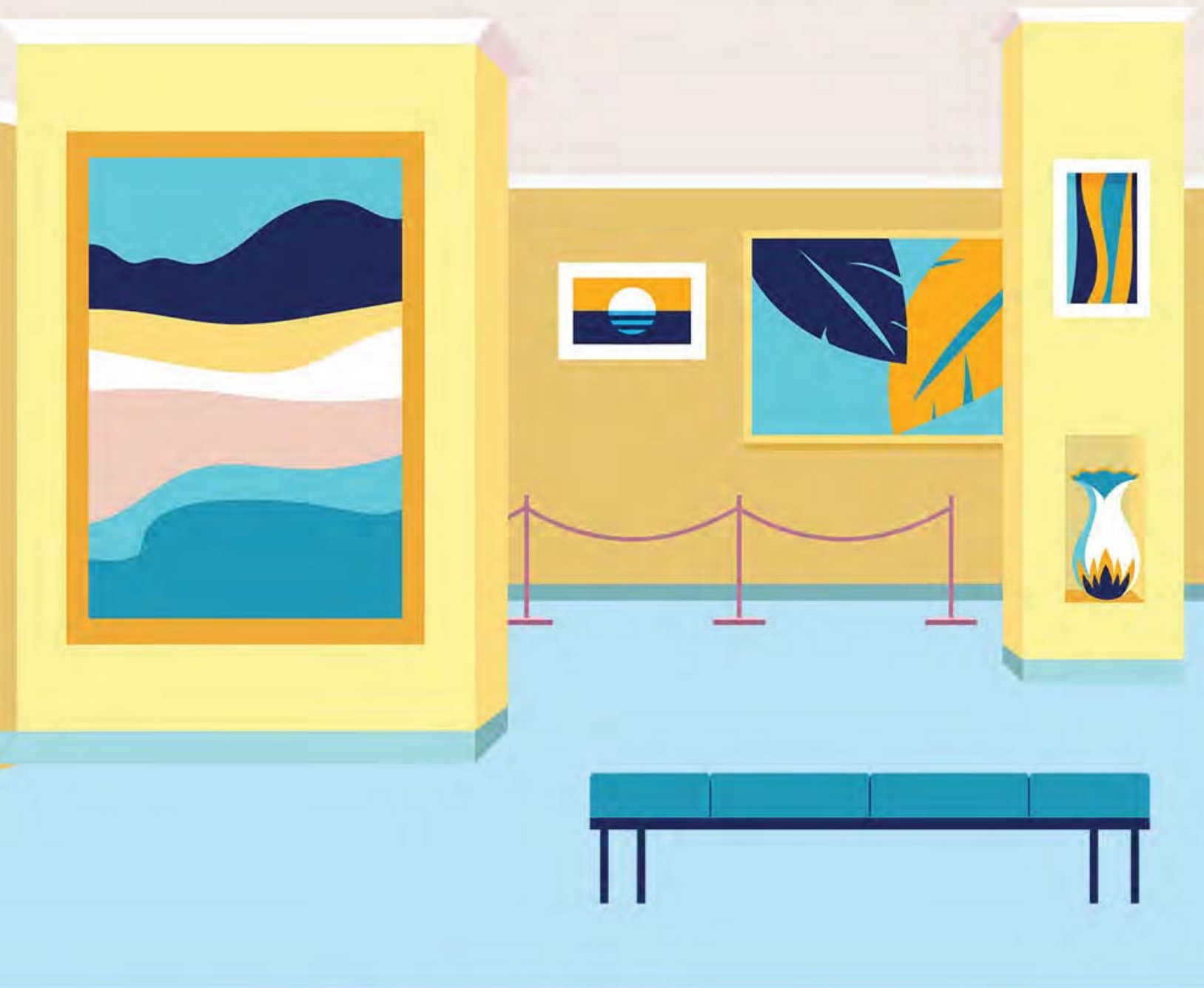


# A NEW CANVAS

*Determining the future direction of the  
Charles Allis and Villa Terrace art museums*



WISCONSIN  
**POLICY FORUM**

# ABOUT THE WISCONSIN POLICY FORUM

The Wisconsin Policy Forum was created on January 1, 2018, by the merger of the Milwaukee-based Public Policy Forum and the Madison-based Wisconsin Taxpayers Alliance. Throughout their long histories, both organizations engaged in nonpartisan, independent research and civic education on fiscal and policy issues affecting state and local governments and school districts in Wisconsin. The Wisconsin Policy Forum is committed to those same activities and to that spirit of nonpartisanship.

## PREFACE AND ACKNOWLEDGMENTS

This report was undertaken to provide policymakers and citizens with greater knowledge about the financial condition, challenges, and opportunities facing the nonprofit Charles Allis and Villa Terrace Museums, Inc. (CAVT) and the two museums it operates: the Charles Allis Art Museum and the Villa Terrace Decorative Arts Museum. We hope that county policymakers and museum leaders and stakeholders will use the report to inform discussions and strategies for a path forward.

Report authors would like to thank officials from CAVT, the Friends of Charles Allis, the Friends of Villa Terrace, and Milwaukee County, for sharing data and information and patiently answering our questions. We would also like to thank officials from the comparison museums we reviewed for similarly supplying us with information and responding to our data requests and questions.

Finally, we thank CAVT for commissioning and helping to pay for this research.



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September 2022

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# INTRODUCTION

The Charles Allis Museum and Villa Terrace Decorative Art Museum are a pair of small art museums on Milwaukee's east side. Constructed in the early 20<sup>th</sup> century as residences for prominent Milwaukeeans, the two museums today feature professionally-curated art exhibitions, arts education programming, and other special programs while also serving as a venue for wedding and event rentals. The two museums are owned by Milwaukee County but they are operated under a single board of directors by the nonprofit Charles Allis and Villa Terrace Museums, Inc. (CAVT).

CAVT has faced substantial financial challenges for several years. Those stem, in part, from reliance on the buildings' owner – Milwaukee County – for substantial operating and capital support given the county's own severe financial challenges. The museums also have had to adapt to a changing cultural and entertainment environment that may pose increasing difficulties for small house museums.

In late 2021, the Wisconsin Policy Forum was asked by CAVT leaders to conduct an assessment that would assist them in charting a financially sustainable path forward. Our charge was to analyze the museums' revenue and attendance trends and challenges, how they determine their programming and exhibitions, their governance structure, and the comparative experience of a small set of similar museums nationally.

While we provide an overview of CAVT exhibits and programming, we do not delve into curatorial decision-making, as that is not an area of WPF expertise. In fact, it is critical for readers to understand that we are not experts on the inner workings of museums. Instead, we were approached to conduct this research based on our long history of analyzing the finances and overall health of Milwaukee County-owned arts and cultural institutions as well as our knowledge and body of work on metro Milwaukee's nonprofits and their challenges.

In the pages that follow, we discuss the results of our analysis, including a series of insights regarding possible business model changes for CAVT and how the museums might better serve the Milwaukee community. Overall, we find the two museums hold great potential to grow their revenues and increase their value to area residents. Yet, that positive note is hedged by the critical need to re-examine board governance, develop a new sense of purpose, and resolve a set of formidable barriers that have contributed to the museums' longstanding financial challenges.

Milwaukee County has a vibrant arts and culture scene that could be enriched by the long-term health and sustainability of the Charles Allis and Villa Terrace museums. We hope this report is useful to the CAVT board, staff, and Milwaukee County leaders as they consider an appropriate path forward.



# BACKGROUND

Nestled in Milwaukee's East Side neighborhood, the Charles Allis Art Museum and the Villa Terrace Decorative Arts Museum were constructed in the early 20<sup>th</sup> century as residences for prominent Milwaukeeans. Today, they are two of only a handful of historic house museums in Milwaukee County, contributing to the area's diverse arts and culture landscape which spans history, art, and cultural museums, historic architecture, youth theatre and performing arts, myriad dance companies and art galleries, and public murals and outdoor sculptures.

Both buildings are owned by Milwaukee County while an independent nonprofit – Charles Allis Villa Terrace, Inc. (CAVT) – operates the museums. Two friends groups also have offered support in the past, including on a project-specific basis.

The museums are open daily to the general public, with varying hours based on day of the week and time of year. General admission fees from these visitors are only one piece of the CAVT revenue pie, which relies most heavily on event rental income and an annual \$225,000 contribution from Milwaukee County. Other forms of support include ticket revenues from paid programming and exhibit viewing as well as grants and membership dues.

**The Charles Allis Art Museum** was the home of art collectors and world travelers Charles and Sarah Allis. Charles was an executive at his family's business, Edward P. Allis Company, and after a corporate merger became the first president of Allis-Chalmers Company, serving from 1901 to 1904. Designed by noted architect Alexander Eschweiler and completed in 1911, the Tudor-style mansion was constructed to showcase the art collected by the couple during their travels. Having no children of their own, their vision was to bequeath their home and its collection for the collective enrichment of Milwaukeeans upon their passing.



The Charles Allis Art Museum

The house and collection were first gifted to the city of Milwaukee Public Library in 1945 for use as an art library and museum. In 1979, ownership was transferred to Milwaukee County. The building joined the National Register of Historic Places in 1975, and has been designated a historic property by the city of Milwaukee (1982) and a Milwaukee County landmark (2004).

The museum's permanent art collection includes 19<sup>th</sup> century French and American paintings, Chinese and Japanese porcelains, and Renaissance bronzes. Details related to the interior architecture and furnishings include ornate marble and plaster work, Louis Comfort Tiffany glass, hand-tooled leather wallpaper, and antique furnishings.







Interior courtyard of the Villa Terrace Decorative Arts Museum

Built in 1923, the **Villa Terrace Decorative Arts Museum** was originally the home of Lloyd and Agnes Smith and their family. Lloyd was the president of his family's business, A.O. Smith Corporation, from 1912 until 1942. The estate was designed by architect David Adler to resemble an Italian Renaissance villa, inspired by a trip the Smiths took to Italy. Even the family's name for their home – *Sopra Mare*, or "above the sea" in Italian – was emblematic of the house's Italian inspiration.

Surviving her late husband, Agnes gifted the building to Milwaukee County in 1966, when it was renamed Villa Terrace and used initially as the decorative arts wing of the Milwaukee Art Museum (MAM). The building is named on the National Register of Historic places (1974), designated a historic property by the city of Milwaukee's Historic Preservation Commission (1982), and is recognized as a Milwaukee County landmark (2004).

Though it originally housed much of the MAM's fine and decorative arts collection, the majority of the collection has been returned to the MAM. Today, the permanent collection is limited to wrought-iron works by Milwaukee craftsman Cyril Colnik, five German paintings on display in the Great Hall, and a handful of items gifted to the museum over time, such as a pre-Raphaelite painted window, circa 1860. A Renaissance garden designed to imbue the property's original gardens was restored from 1997-2002, using \$1.5 million raised by the Friends of Villa Terrace. The popular garden offers flower beds, foliage, water features, and statues.

Though the building has few furnishings from its origins as the Smith home, its architectural elements have broad audience appeal. Examples include an interior courtyard with the Statue of Mercury, an Italian barrel-tiled roof and whitewashed pink brick exterior walls, a vaulted veranda, Italian grilled windows, a stenciled beam ceiling made of Georgian cypress in the Great Hall, and a central limestone staircase which projects out from the wall with no visible means of support.

## Governance

From the time of their transfer to the county until 2012, the two museums were governed under the auspices of the Milwaukee County War Memorial Center (WMC) and the private nonprofit entity that governed that facility, Milwaukee County War Memorial, Inc. (WMI). WMI also served as the corporate parent for the Marcus Center for the Performing Arts and the Milwaukee Art Museum.

In 2012, under a new governance agreement for the WMC, the other entities that fell under its umbrella went their separate ways, and a new nonprofit entity – the **Charles Allis and Villa Terrace Museums, Inc. (CAVT)** – was formed with its own distinct board to govern the two small art museums. This new independence required the organization to develop and pay for its own administrative infrastructure. An executive director oversees day-to-day operations with the support of five staff members. Although the two museums operate under the same governance structure and have a shared budget and staff, in some respects they function operationally as separate entities.

Two long-established, nonprofit friend groups – the Friends of the Charles Allis (FOCA) and the Friends of Villa Terrace (FOVT) – continued to support their respective museums until recently, when FOCA was disbanded. FOVT remains in existence.



### *Board of Directors*

The CAVT Board of Directors has 23 seats. Of these, 15 are nominated and elected by the Board, three are designated by the Milwaukee County Executive, and one is designated by the Milwaukee County Board of Supervisors Chairperson. In addition, the current and immediate past chairpersons of FOVT may serve on the board. Similarly, FOCA had the ability to fill up to two seats until its dissolution.

Currently, the CAVT Board of Directors has 14 active members. The county's involvement in filling its allotted board positions has been limited in recent years, with none currently filled. In a similar vein, the two friends groups have not always filled their allotted seats and the 15 ad-hoc seats are seldom completely filled.

### *The Friends of the Charles Allis*

Until its dissolution in March 2022, FOCA was a nonprofit organization that supported the Charles Allis Art Museum through targeted funding assistance and occasional programming support. The group was formed in 1978, though the exact year of its incorporation as a nonprofit is unknown.<sup>1</sup> Its mission was to enhance the Milwaukee community's connection with the museum's architecture, gardens, collections, and exhibitions. Membership levels declined steadily over FOCA's five-decade existence, as many aged out of involvement. Historically, FOCA was both a financial support system for the museum and a social venue, as members regularly took part in Milwaukee's arts and culture scene as a group. However, both the financial support offered and social value enjoyed by members of FOCA in its earlier decades deteriorated over time to the point that the group was disbanded.

### *Friends of Villa Terrace*

Founded in 1990, FOVT is a nonprofit organization whose primary purpose has been to support the ongoing maintenance needs of the Villa Terrace Renaissance Garden, which was developed in large part with funds generated from a capital campaign conducted by FOVT. However, in recent years, the group has begun considering a larger support role for general facility maintenance activities that it feels the county is failing to adequately finance and perform. The group's fundraising activities include an annual gala, a semi-annual moon viewing party, an annual holiday event, and guest lectures each spring. FOVT has approximately 50 members, many of whom are involved in the group's fundraising activities.

### *Milwaukee County*

Despite its building ownership and annual financial contribution, Milwaukee County plays no role in museum operations. Milwaukee County budget documents suggest the value the county sees in owning the facilities, however, describing a goal of using the museums' architecture and art collections to tell the story of the founding of Milwaukee as a city of industry and entrepreneurship.

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<sup>1</sup> Records indicate FOCA was incorporated as a 501(c)(3) nonprofit at least as early as 1998. In that year, it played an instrumental role in raising private funds to contribute to the development of the facility's Great Hall.





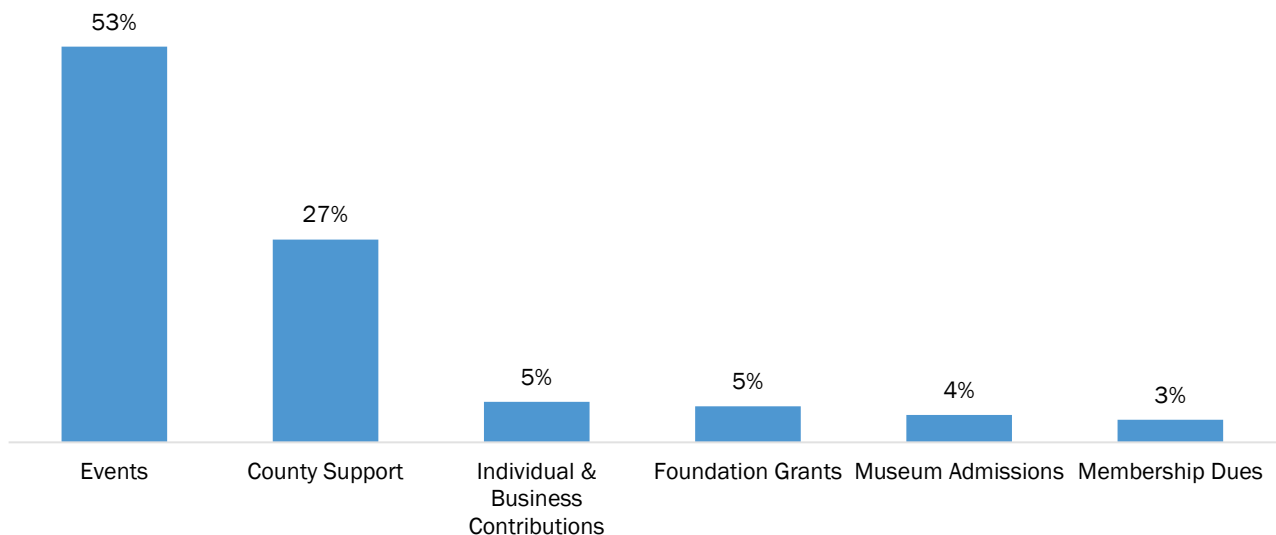
# FINANCES & STAFFING

The onset of the COVID-19 pandemic in early 2020 caused substantial disruption to CAVT's offerings and revenue picture, but museum leaders anticipate a return to pre-pandemic levels of activity and earnings this year. This is reflected by CAVT's 2022 revenue budget of \$822,450, which is supported by anticipated public attendance and event bookings at near-2019 levels. In this section, we examine the combined CAVT operating budget, capital maintenance and repair needs, and how revenues and expenditures break down between the two museums.

## Operating Revenues

As shown in **Chart 1**, CAVT as a whole is very reliant on event rentals and an annual subsidy from Milwaukee County to support its \$822,450 operating budget (2022), while admissions and membership dues play a much smaller role.

**Chart 1: CAVT major budgeted revenues (2022)<sup>2</sup>**



In 2022, revenues earned from events are budgeted to generate over half of total revenues (\$439,000). These include rental fees for events like weddings and other celebrations (32% of total revenues) and revenues earned from alcoholic beverage sales at the events (21%). These two sources are combined in the events category in the chart, which also includes minor sources of event-related income. Support from Milwaukee County is the second largest revenue source, accounting for 27% (\$225,000) in the 2022 budget.

Other important sources of revenue include foundation grants and individual and business contributions (at \$40,000 and \$45,000, respectively), as well as admissions fees<sup>3</sup> and membership

<sup>2</sup> Revenue figures in this report do not include the value of services donated by board members and volunteers or dollars directly spent at the properties by friends groups.

<sup>3</sup> General admission fees at Villa Terrace and Charles Allis are \$10 for adults, and \$7 for seniors, students, and active military. Children age 12 and under are free. Admission pricing may be adjusted for special exhibits.



dues (a combined \$55,000).<sup>4</sup> It should also be noted that even though foundation grants were a relatively small piece of the 2022 budget, the interim director who served from July 2021 to May 2022 made significant headway on this front. The museums anticipate over \$100,000 in new grant revenues to support racial equity exhibitions, a couple of specific programs, and general operating costs by the end of the current fiscal year. Similarly, individual contributions have grown recently. In 2021, individual contributions were 82% (\$18,000) higher than the \$20,000 budgeted – an amount also exceeding the \$25,000 budgeted in 2019 and 2020.

Not shown in **Chart 1** are a number of smaller revenue streams such as annual interest earned on the museums' endowments (1%) and activities related to program services such as café and tour revenues (less than 1%).

It is not unusual for museum facilities to require support from revenue streams like grants and philanthropic donations that fall outside of those generated by admissions, memberships, and events. However, our interviews with CAVT stakeholders **revealed substantial tension surrounding the difference in revenue-generating capacity exhibited by the two distinct facilities.**

In particular, some FOVT members suggested that the revenues earned from Villa Terrace event rentals are subsidizing operations at Charles Allis. In fact, some expressed a preference for separating the two organizations, or at least distinguishing clearly between the two operating budgets.

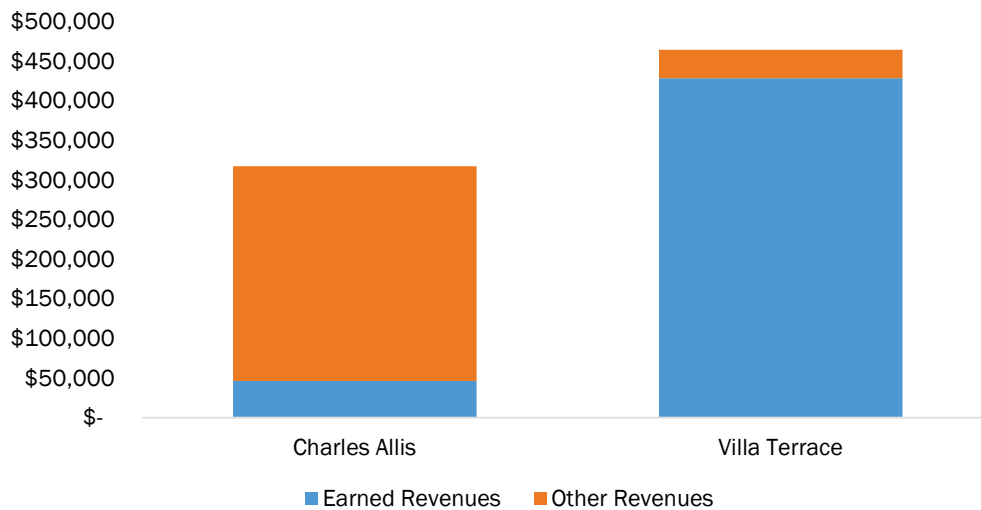
A closer look indicates that Villa Terrace generates the vast majority (94%) of revenues earned through events, which comprise over half of CAVT's overall budgeted operating revenues. Yet, neither museum is able to support itself solely with the revenues earned through its own distinct programming and rentals, as shown in **Chart 2**. In 2022, Villa Terrace is anticipated to need \$36,000 in other support – such as grants, contributions, and Milwaukee County subsidy – to cover the 8% gap between its operating costs and revenues generated by that location. The difference is much larger, however, at Charles Allis, where 85% of its operating support is provided by revenues other than those earned from events and admission fees.

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<sup>4</sup>Museum members receive benefits at both museums, which includes one year of free admission at all exhibition openings and during general open hours, a subscription to the quarterly newsletter, and discounts to a variety of programs and events. A range of membership packages are available: family (\$60), individual (\$45), senior couple (\$55), senior individual (\$35), and student (\$25), as well larger packages that offer larger benefits such as additional free tickets and free access to all events (\$125 to \$1,000). As of early spring 2022, CAVT had 283 memberships covering an estimated 550 individuals.

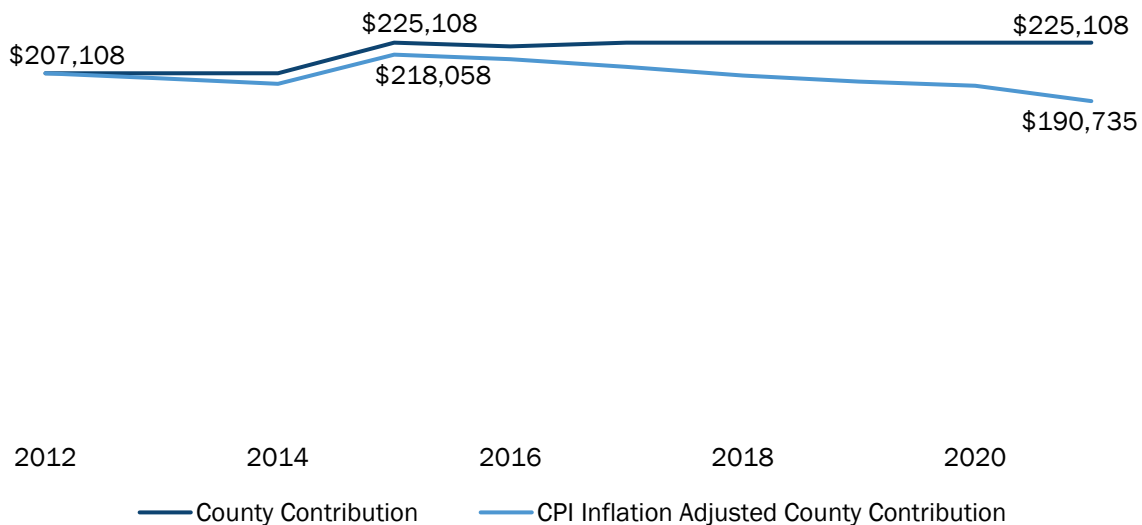


**Chart 2: Revenue breakdown for each location (2022)**



While earned revenue performance differs for the two museums, both rely on the county's annual \$225,000 contribution to some extent. However, while the contribution comprises 27% of CAVT's overall revenue pie, it has not kept up with inflation over time, thus increasing pressure on the museums to boost other revenue sources. **Chart 3** shows that while the county contribution increased by \$18,000 in 2015, it has remained at that level ever since. When adjusted for inflation, the value of the county's contribution decreased by 8% (\$16,400) between 2012 and 2021.<sup>5</sup> In other words, the 2021 contribution of \$225,108 equates to \$190,735 in 2012 dollars.

**Chart 3: Milwaukee County contribution to CAVT revenues, 2012-2021**



<sup>5</sup>Calculations based on the U.S. Department of Labor Statistics, Consumer Price Index series CUUS0000SA0 and CUUR0000SA0.



Whether the current contribution can be sustained in future years – let alone adjusted for inflation – remains a concern given the fierce financial challenges facing the county and the fact that its support for arts and cultural institutions is one of the few areas of the budget that is not mandated by state government.

Finally, both museums have only modest endowments that have been budgeted in recent years to generate between \$10,000 and \$17,000 in interest earnings annually. In 2022, the budgeted amount was \$12,000. Villa Terrace's endowment totals approximately \$400,000, while the Charles Allis endowment totals approximately \$100,000.

## Operating Expenditures

CAVT's largest budgeted expenditure items are salaries and benefits for its six-person staff, at 51% of total spending (\$409,000). Other significant expenses are facilities and equipment at 13% (\$104,600), general office expenses at 13% (\$100,900), and alcoholic beverage service costs for events at 12% (\$98,800). Expenditures associated with the Charles Allis museum comprise 40% of total spending (\$317,000). Villa Terrace's expenditures are higher at 58% (\$464,000 because of costs associated with hosting a large number of events.

## Impact of the COVID-19 pandemic

CAVT weathered the COVID-19 pandemic in large part because of federal forgivable loans from the Paycheck Protection Program (PPP) and foundation grants. These sources replaced lost event and admission revenues and prevented layoffs while the museums were largely closed. In total, CAVT received \$140,000 in PPP loans in 2020, which were forgiven in full in 2021. While the 2022 operating budget reflects a significant anticipated increase in event revenues compared with the past two years, the total still is about \$62,000 lower than what was projected in 2020 before the onset of the pandemic.

## Capital Needs

Like many Milwaukee County-owned parks, recreational, and cultural facilities, the Charles Allis and Villa Terrace museums have backlogs of costly capital maintenance and repair needs (see our [2019](#) and [2018](#) reports for additional details on the county's overall infrastructure challenges for parks and cultural facilities). The county's capital budget challenges arguably are even more onerous than its operational challenges, and it has appropriated few capital dollars to the museums in recent years despite more than \$3 million in combined identified capital project needs. CAVT stakeholders point out that this failure to appropriately address capital needs – as well as the organization's overall reliance on Milwaukee County for capital planning and financing – constitute one of the organization's foremost challenges.

**Chart 4** shows that the county's capital support for the two museums has been infrequent over the past several years. The Charles Allis museum received \$1.2 million from county capital improvements budgets between 2014 and 2020, while Villa Terrace received no appropriations.<sup>6</sup> Looking forward, the county's five-year Capital Improvement Plan identifies \$450,000 in

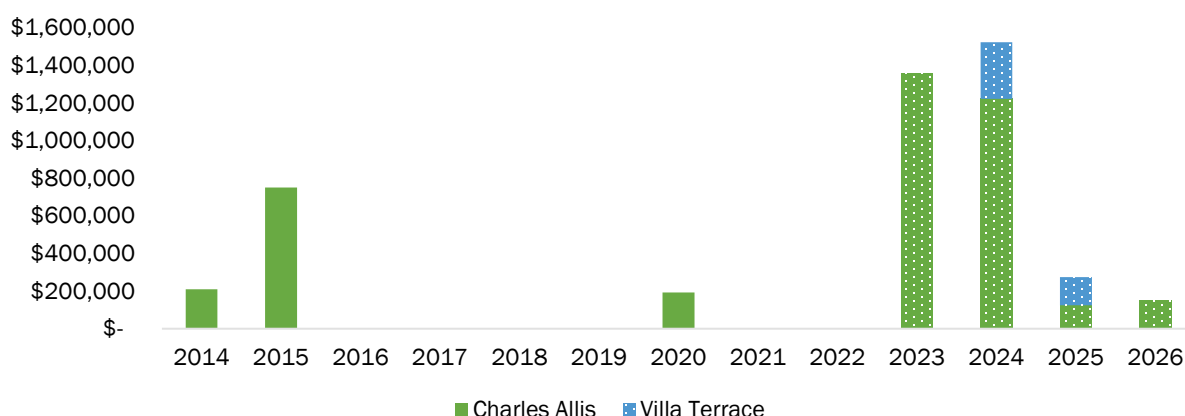
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<sup>6</sup> These amounts do not include a couple of emergency major maintenance items that occurred at Villa Terrace from 2016-19, which were financed via special mid-year appropriations from the county's operating budget and were not reflected in capital budgets. They entailed \$43,000 for roof repairs in 2016 and \$89,000 for boiler repairs in 2018-19.



recommended capital projects at Villa Terrace and \$2.9 million at Charles Allis between 2023 and 2026.

**Chart 4: Past and future CAVT capital spending plans (2014-2026)**



Future project needs identified at Villa Terrace include courtyard foundation and drainage repairs (\$150,000), wrought iron restoration (\$150,000), and driveway area repairs (\$150,000). Charles Allis projects identified in the five-year capital plan include façade repairs (\$2.1 million), window and door replacements (\$500,000), a drainage survey and leak repairs at the Great Hall (\$150,000), and wrought iron restoration (\$125,000). Any work performed on the exteriors of the buildings must gain approval from the Milwaukee Historic Preservation Commission.

It is important to note that while projects typically must first be identified and included in the county's long-term capital improvement plan to gain access to funding, such inclusion does not guarantee that the funds will be appropriated. Instead, they must still compete with a sizable list of other countywide capital repair needs for a pool of annual funds that is heavily restricted by the county's overall debt burden and a self-imposed cap on its capital financing capacity. That debt financing "cap" limits annual growth in debt issuance to 2.5% of the amount from the prior year.

Consequently, in 2023, about \$60 million will be available for capital projects countywide, forcing difficult choices given the \$240.7 million in county-funded capital project costs identified for that year. While a sizable amount of additional dollars may be available in the next two years from the county's receipt of nearly \$200 million in federal pandemic relief aid, it is not difficult to imagine a scenario in which CAVT projects continue to be deferred in light of the many competing capital needs within the county.

## Staffing

As of the spring of 2022, when the bulk of this research was conducted, CAVT had a roster of six positions (5.43 on a full-time-equivalent basis) that perform operations across both facilities, though main offices are located at Villa Terrace. The roster included an executive director,<sup>7</sup> a senior curator, a rentals manager, a membership manager, an assistant curator and collections manager, and a

<sup>7</sup> CAVT hired a new executive director as the research portion of this project was completed in May 2022. Any changes made to staffing or operations since her hiring are not reflected in this report.



visitor experience and beverage services manager. The latter two positions were both part-time, at 0.7 FTE and 0.73 FTE, respectively.

Notably, current staffing levels reflect a number of staff reductions that have occurred over the last decade in response to budget limitations. Most recently, in 2021, the assistant curator and collections manager position was converted from full-time to part-time and the events manager position was eliminated. Six years earlier, the marketing position was eliminated when the person holding that position became executive director (according to one CAVT board member, some marketing responsibilities were outsourced and marketing services and advice also was contributed in-kind by board members). Museum officials express optimism that consideration of restoring staff might be possible with the arrival of over \$100,000 in unbudgeted, new grant funds in 2022.

Although CAVT operates on a combined budget, visitor services staff complete timesheets which reflect their time spent working for each museum. Some staff who are events-focused, such as the rentals manager and the visitor experience and beverage services manager, naturally spend the majority of their time at Villa Terrace. Others, however, spend their time more evenly across the two.

The ability to share staff creates a number of operational efficiencies, particularly in the areas of human resources and administrative oversight. In addition, positions may be more attractive to prospective employees given that many are full-time with associated benefits; under a model where the museums operated as separate entities, several of the positions would likely see reduced hours.

## Summary

Overall, CAVT operations are heavily dependent on two revenue streams: event revenues and contributions from Milwaukee County. Combined, these cover nearly 80% of operating costs. The county's contribution is a source of concern, as the amount provided has been flat since 2015, putting increased pressure on other forms of revenue.

Simultaneously, the county has deferred a number of capital repair and maintenance needs at the two locations, resulting in a combined backlog of over \$3 million. This not only raises concern about the condition of the facilities' basic physical infrastructure, but it also may detract from efforts to enhance earned revenues, as the physical appearance and functioning of the two facilities impact the willingness and desire of patrons to visit.

The highly challenging revenue picture has forced CAVT leaders to reduce staff in recent years, and other signs of strain are also evident, such as generally meager marketing efforts and occasional lags in maintenance attention to the courtyard at Charles Allis. Later sections will explore avenues the museums might use to address these budget concerns.





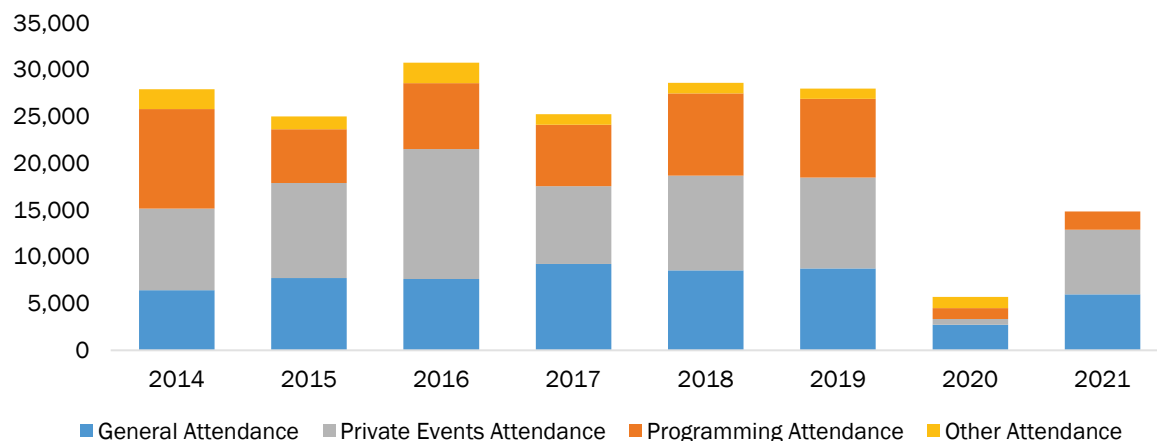
# ATTENDANCE AND MUSEUM OFFERINGS

As noted in earlier sections, the Charles Allis and Villa Terrace museums generate patronage through general museum admissions, programming, and events. This section outlines attendance characteristics and then takes a closer look at each patronage category to illustrate how museum offerings are determined and brought to life. Given that programming and general admissions are an important indicator of the museums' value proposition to the Milwaukee community, we also offer perspective on strengths and weaknesses of the museums' exhibits and programming.

## Visitation

Since 2014, in a typical year not impacted by a global pandemic, museum visitation has averaged 27,500 people. As shown in **Chart 5**, private events such as weddings and parties typically draw the most visitors, ranging between 8,000 and 14,000 guests annually between 2014 and 2019, and representing an average of 37% of all museum visitors. General admissions and programming each account for 25% of total visitors, averaging nearly 8,000 annually.<sup>8 9</sup>

**Chart 5: Combined visitation at the CAVT museums, 2014-2021**



Visitor numbers at Charles Allis are significantly lower than those seen at Villa Terrace. In 2019, Charles Allis accounted for 20% of all CAVT visitors, or about 5,600 as compared with the 22,600 who visited Villa Terrace. Of those who visited Charles Allis, approximately 2,400 were general attendance guests and the remaining 3,200 visited for program offerings or as guests at event rentals. At Villa Terrace, 6,300 were general attendance visitors and the remaining 16,300 visited for program offerings or as wedding or other event guests.

<sup>8</sup> Although attendance dropped significantly in 2020 and 2021 due to the COVID-19 pandemic, attendance in 2022 is projected to return to pre-pandemic levels.

<sup>9</sup> Museum staff were not certain what attendance categorized as "other" includes, though it may be accounted for by Charles Allis' use as a polling place for elections.



## Exhibits and Programming

Programming at the two museums consists of exhibitions and one-day programs, panel discussions, or reoccurring workshops that complement exhibitions. In addition, a handful of popular programs run annually which are not connected to exhibitions. For example, Sunday morning yoga classes are offered throughout the summer at Villa Terrace, followed by Café Sopra Mare for anyone who wishes to enjoy coffee in the courtyard while listening to live music. Past repeat-programs at Charles Allis have included a *Mad Hatter*-themed tea party complemented by actors playing *Alice in Wonderland* characters and a veterans' art therapy program.<sup>10</sup> When two friends groups existed, each occasionally supported programming by underwriting exhibitions or supporting speaker series. Exhibitions also typically attract corporate or philanthropic sponsors.

Typically, each museum offers two to three exhibits annually. These are selected based on an annual theme chosen by the curator and executive director, while a three-person committee from the arts community also provides input. For example, the 2020 "Year of Women" theme at Charles Allis was deemed important and appropriate by museum leaders given that only a single female artist's works are present in the museum's collection. Though largely sidelined due to the COVID-19 pandemic, plans included a guest curator who would create an exhibition focused on women artists, reinstalling the radio room that Sarah Allis created in her husband's bedroom after his death, and creating a Milwaukee women's art library and archive featuring the artistic works of women and nonbinary artists.<sup>11</sup>

Through our interviews and analysis, we observe that both museums have some areas that merit improvement if they are to bolster programming success and effectively compete for patronage in Milwaukee's highly competitive arts, cultural, and entertainment scene. For example:

- The Charles Allis museum has struggled to clearly articulate **an overall vision for its programming**, and individual programs and exhibits have suffered from a lack of clear expectations regarding profitability and/or other desired outcomes. There has been uncertainty regarding the number of attendees needed for a program or exhibit to be deemed successful, who the ideal audience should be, and overall revenue goals. Moreover, staff indicate that programs that *do* draw larger crowds tend to be free and their success in generating interest in future, paid attendance is limited. While there is certainly public value in free offerings, particularly those focused on youth education, enhanced planning could eliminate uncertainty around the appropriate level of free versus paid offerings.
- The Charles Allis suffers from a **lack of readily available parking**, which is considered a substantial barrier to attendance, particularly for wedding and other event rentals. This constraint has been evident for years and will be difficult to resolve, but it is essential that renewed emphasis be placed on this challenge and solutions identified. One potential solution would involve having CAVT take responsibility for shuttle and parking garage coordination rather than requiring prospective renters to supply the needed accommodation. The increased cost could be wrapped into rental fees, which are arguably quite low compared with many wedding

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<sup>10</sup> Both of these events have largely discontinued because the primary organizers are no longer involved with the organization.

<sup>11</sup> Although the COVID-19 pandemic threw a wrench into full implementation of these plans, the library archive was a success. A gallery space was made available for artists to bring their work or materials to add to the archive. In September 2021, the archive was transferred to the University Wisconsin-Milwaukee, where the project continues.



and rental venues with similar capacity and rental hour offerings. It should also be noted that the *Dressing the Abbey* exhibition that ran from February-May 2022 drew over 6,000 visitors, beating previous attendance records by more than 5,000 people. This success – which was bolstered by the City of Milwaukee’s designation of some street parking as special event parking – suggests that parking solutions may be more readily available and that parking availability may be less of a deterrent for general admissions than previously thought.

- While Villa Terrace is a destination location known for its beautiful setting as an events venue, **the current focus on events seems to overshadow efforts to grow museum attendance through program offerings.** Further, CAVT’s leadership has struggled to define whether the facility’s primary purpose should be as an art museum, architectural landmark, historic building, or events venue. Efforts to achieve consensus on the building’s identity and value to the community could allow staff to better address program and marketing needs, which include identification of target audiences as well as a structure for determining the appropriate level of paid and unpaid offerings per year.
- In particular, **Villa Terrace’s title as a decorative arts museum appears a remnant of the past**, when it housed the Milwaukee Art Museum’s fine and decorative arts collection. Villa Terrace houses little in the way of fine and decorative arts aside from a couple of rooms devoted to Cyril Colnik ironworks, five paintings in the Great Hall, and a handful of decorative arts items gifted to the museum over time. Attention to growing the art collection might better situate the museum for arts-related programming. Conversely, if museum leadership determines the facility does not merit the arts identification, then attention to exhibits and programs that align with the determined purpose would be warranted.
- Both museums suffer from **limited marketing capacity**, despite the in-kind contributions of marketing services from some board members (referenced above), which likely has limited their success in generating visitors. Intentional professional development for staff in marketing strategies, or the use of marketing consultants, could be beneficial. In addition, at Villa Terrace in particular, greater effort could be undertaken to follow up with event guests and transform them into future, paying program attendees.

At the same time, both museums possess several strengths that could be built upon to enhance their value and visibility. For example, in 2021, the CAVT board underwent a planning process called “Reimagining the Charles Allis Art Museum.” The resulting document identified a plan to reinstall the original collection with an interpretive lens showcasing the world context that Charles and Sarah Allis experienced, while also using the space to inspire and educate visitors about Milwaukee’s diverse arts scene. The plan comes with a room-by-room assessment of costs to implement the vision, with a price tag of \$616,300. While the funding to support the changes has not been addressed, the plans themselves show that re-visioning is already underway.



The museum also has already shown an ability to tap into popular audience interests that coincide with the historical context of the building. For instance, the recently concluded *Dressing the Abbey* exhibit framed the costumes of the popular, 1920s-era *Downton Abbey* television series within a house designed in the same era. By connecting with that cultural television phenomenon, the museum attracted record numbers of visitors. In fact, the total guest count was over 6,000, a far cry from the 100 to 1,000 visitors that typically attend exhibitions.



Similarly, though much smaller in scope, the annual *Mad Hatter* Tea Party has popular annual appeal for intergenerational guests, who enjoy tea while interacting with a theatrical cast of characters from Alice in Wonderland's *Mad Hatter* tea party scene. In addition, offerings such as *Autumn at the Allis* and the *Pleine Air* event that celebrates Milwaukee's arts and culture scene along the Milwaukee Museum Mile draw above-average visitor numbers.<sup>12</sup>

Meanwhile, Villa Terrace already conducts some highly successful programs and possesses a number of strengths that support the success of program offerings. Those include the museum's ability to take advantage of its location with a panoramic view of Lake Michigan, its beautiful gardens, and ample street parking. A speaker series and exhibition each spring, annual summer programming of yoga on the terrace and live music and coffee, occasional use of local actors to perform onsite, and an annual *So Milwaukee* event that showcases local restaurants, breweries, vendors, and artists also have achieved programming success.

Villa Terrace also has an opportunity to build on the success of its outdoor programming by developing indoor programming that would engender similar appeal. Also, the museum greatly benefits from its status as a source of pride to the neighborhood residents of Milwaukee's upper east side. This could potentially be deepened if the museum strategically offers programs designed to create community experiences for those living and working within walking distance.

## Events

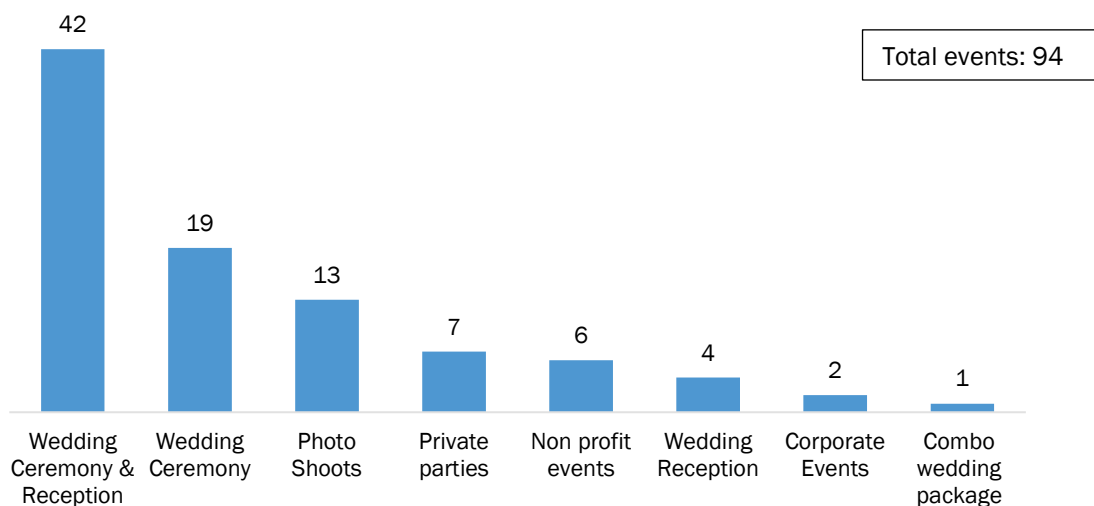
Both museums offer event rental spaces for weddings and other private and business events. As discussed previously, Villa Terrace enjoys wide appeal as an events space and only limited marketing is required to generate interest. Outdoor weddings, in particular, tend to be completely booked throughout warmer seasons. Charles Allis, on the other hand, has been less successful and has shown much lower event revenue potential, in part (according to interviewees) because of its lack of easy parking access.

In 2019, the most recent year not impacted by the COVID-19 pandemic, CAVT had 94 event rentals across both museums. **Chart 6** shows the total number of events based on type. Over 70% of events were for wedding ceremonies, wedding receptions, or both. The remaining 30% were for smaller events such as photo shoots, private parties, and nonprofit and corporate events. Notably, of the 94 events, only nine were held at the Charles Allis Art Museum. Those included four wedding events, two private parties, two nonprofit events, and one corporate event.

<sup>12</sup> The Milwaukee Museum Mile is a joint effort of five arts and cultural museums located on Milwaukee's east side neighborhood to create affordable, accessible opportunities for experiencing those institutions. CAVT staff organize and market the annual *Pleine Air* event. Staff say the event increases visitor numbers but has not increased revenues.



**Chart 6: Event rentals by type (2019)**



Weddings at Villa Terrace typically consist of a seven-hour, \$3,000 rental for both the wedding and reception. However, some wedding parties choose a combination package for \$5,500, which offers six hours at the Villa Terrace for wedding ceremonies and photography, and six hours at Charles Allis for the reception. The latter arrangement is beneficial for guests who wish to have a larger dance floor available at the Charles Allis, although the decision generally creates a need to rent a shuttle to transport guests between the locations as well as back to their lodging or to vehicles parked at Villa Terrace.<sup>13</sup>

CAVT staff share that the desire to host weddings at Villa Terrace must be balanced with the need to maintain a good relationship with surrounding neighborhood homeowners. Beginning in 2023, Villa Terrace plans to limit wedding rentals to two nights per week. Currently, it is not uncommon for weddings to be booked every Thursday-Sunday evening during warmer seasons. Staff indicate that the change should not impact revenues because rates for three-hour wedding ceremony rentals have been increased from \$2,500 to \$3,000, and also because some minor changes to rental hours will allow more visitors to visit the museums in the mornings and early afternoons on days when the facilities are rented.

During our interviews, museum staff identified potential improvements at both museums that would increase their attraction as wedding rentals. For example, neither has a space truly fit for a bridal party to get ready. At present, bridal parties at Charles Allis use the old master bedroom which is connected to a working master bathroom, but the space is also used as an exhibit space, which can be awkward for guests to maneuver around. Similarly, wedding parties at Villa Terrace make use of the Zuber Gallery and master bathroom but have no space to truly make themselves comfortable.

## Summary

All told, we find that there is potential to strengthen exhibit and program offerings at Charles Allis and Villa Terrace. Recent attendance numbers at each location, as well as interviews with staff, indicate room for growth in the number of people that visit the museums and, consequently, the

<sup>13</sup> At \$2,500 for a 15-hour wedding rental price point, Charles Allis wedding fees are unusually low and do not appear to be producing enhanced interest in wedding bookings.



revenue potential of those visitors. Meanwhile, both museums might benefit from enhanced and targeted marketing capacity and strategies to help discern the appropriate number of paid and unpaid program offerings and the exact audience types they seek to attract, as well as strong value propositions to the community that can be used to guide program and exhibit ideas.

Fortunately, both museums also have enjoyed highly successful exhibits and programs, suggesting that such success can be repeated. In addition, the populated neighborhoods surrounding the museums, public enthusiasm for being out and about as pandemic restrictions and concerns lift, potential for enhanced collaboration with artists and nearby businesses and restaurants, and even enhanced collaboration between the Charles Allis and Villa Terrace museums offer hope for the future.

On the events side, Villa Terrace has shown itself to be quite successful, and the lack of ideal spaces for bridal parties to get ready has not detracted from interest in renting the facility. Charles Allis, on the other hand, has had very little success in attracting event rentals, which is primarily attributed to the lack of readily-available parking. Without resolution to that problem, Charles Allis will not easily be able to increase its appeal as an event space.





# A TOUR OF COMPARISON INSTITUTIONS

In this section, we examine several arts and cultural facilities both locally and nationally to identify ideas and insights that could help CAVT leaders as they shape the future of the two museums.

CAVT staff originally asked us to review other historic houses with art collections. We narrowed a lengthy list of possibilities to four institutions that met those criteria: Pabst Mansion in Milwaukee, Lincoln-Tallman House in Janesville, Glessner House in Chicago, and Hammond-Harwood House in Annapolis, MD.

However, in the course of our research, it was suggested to us that it might be instructive to look more broadly at “hidden” museums with clearly defined missions, regardless of whether they are housed in a historic residence or focused on art. We considered a couple of possibilities locally and decided to include Jewish Museum Milwaukee.

Among these comparison institutions are one (Lincoln-Tallman House) that is owned by a local government and operated by a county historical society as part of a campus of historic buildings; one (Pabst Mansion) that is owned by a nonprofit organization and at least temporarily operated in conjunction with a county historical society; one (Jewish Museum Milwaukee) that is part of a larger nonprofit, but has its own board and membership structure; and two (Glessner House and Hammond-Harwood House) that are entirely independent nonprofits.

**Table 1** summarizes key characteristics of each “comparison” institution. We then describe each institution in more detail. Because many of the insights we gained were based on factors we observed at more than one institution, we have organized these insights thematically at the end of this section. Also, **it is important to note that none of these museums are “comparable” to the Charles Allis and Villa Terrace museums in all facets and they should not necessarily be viewed as “peer” museums. Rather, they share certain characteristics that may make their business models or various business strategies worthy of consideration for CAVT leaders who are seeking insights as they engage in future strategic planning.**



**Table 1: Key characteristics of selected comparison museums**

	Year built	Institution type	Owner	Operator	Annual attendance*	Annual expenditures*
Charles Allis Art Museum, Milwaukee, WI	1911	Art museum/historic house	Milwaukee County	CAVT	5,600	\$802,800
Villa Terrace Arts Museum, Milwaukee, WI	1923	Historic house	Milwaukee County	CAVT	22,600	
Glessner House, Chicago, IL	1887	Historic house	Independent nonprofit	Independent nonprofit	10,400	\$465,900
Hammond-Harwood House, Annapolis, MD	1774	Historic house	Independent nonprofit	Independent nonprofit	6,000	\$312,000
Jewish Museum Milwaukee, Milwaukee, WI	N/A	Ethnic museum	Milwaukee Jewish Federation	Milwaukee Jewish Federation	11,000	\$730,500
Pabst Mansion, Milwaukee, WI	1892	Historic house	Independent nonprofit	Milwaukee County Historical Society**	40,000	\$974,700
Lincoln-Tallman House, Janesville, WI	1857	Historic house	City of Janesville	Rock County Historical Society	12,500 to 13,000	Unavailable

\*Attendance and annual expenditure numbers are approximate and based on the most recent available data we could access, ranging from 2018-2022. Pabst Mansion reflects attendance at only tours during the fiscal year ending March 2022.

\*\* The Pabst Mansion is currently being operated under a shared staff arrangement with the Milwaukee County Historical Society. Although that arrangement was initially envisioned as temporary, it was not clear at the time of this writing how long it would continue.

## Glessner House

**History:** John Glessner was a partner in the Ohio-based farm implement company of Warder, Mitchell & Co. when he moved to Chicago in 1870, shortly after his marriage to the former Frances Macbeth. He established a Chicago sales office for the firm, which reorganized as Warder, Bushnell & Glessner in 1879 and named him its sole vice president in 1886. Glessner was instrumental in the 1902 merger



Glessner House

that created International Harvester, becoming a vice president of the new company and chairman of its executive committee.

In 1885, Glessner commissioned Henry Hobson Richardson – considered one of the greatest American architects of his time – to design a 17,000-square-foot mansion on Prairie Avenue, then known as Chicago’s “Millionaires’ Row,” in the South Loop neighborhood near downtown. Richardson died before the house was completed in 1887, and it is the only one of his Chicago commissions still standing. The Glessners remained active in the city’s civic and cultural life until the deaths of Frances in 1932 and John in 1936.

Before their passing, the Glessners deeded the house to the Chicago Chapter of the American Institute of Architects to use as an architectural museum. However, the organization couldn’t afford to maintain the mansion and returned it to the Glessner family in 1937. The family then deeded the house to the Armour Institute (now the Illinois Institute of Technology), which leased it to the Lithographic Technical Foundation in 1946. That foundation bought the house in 1958, but put it up for sale in 1965. The next year, local architects and preservationists formed the Chicago School of Architecture Foundation to buy Glessner House, which became a National Historic Landmark in 1976 and a separate nonprofit in 1994.

**Mission:** “To spark excitement in architecture, history, and design through a dynamic exploration of Glessner House, its family, and its preservation.”

**Visitor profile and attendance:** The house attracts tourists interested in architecture and local history. Attendance from tours, programs, and other events totaled 10,424 in 2018. Tracking visitors by ZIP code that year found 32% came from Chicago, 22% from suburbs or other parts of Illinois, 36% from elsewhere in the nation, and 10% from other countries.

**Visitor experience:** Glessner House is open year round, except on holidays, for docent-led tours only. The regular tour is offered from 11:30 am to 4 pm Wednesdays, Fridays, and Saturdays (down from five days a week before the pandemic), with specialized tours from 9:30 am to 11:30 am on Saturdays, and group tours available any day of the week. For the basic tour, adult admission is \$20, with discounts for seniors and students, and free admission for members of the museum or the National Trust for Historic Preservation; specialized tours cost \$30 a person, with discounts for museum members. Tickets must be purchased in advance.

In addition to the basic 75-minute tour, the two-hour specialized tours focus on such aspects as the architecture of the house, the family’s collection of works by English artist William Morris (whose Arts and Crafts movement philosophy also influenced the house’s design), and the world of the Glessner family’s servants.

Other programs include a variety of lectures and presentations (many of them online); cooking demonstrations centered on the Glessner family’s cook; other food events, such as a mother-daughter tea; a monthly series of jazz concerts, and occasional classical concerts, in the courtyard on summer evenings; and walking tours exploring the architecture of the South Loop neighborhood.

**Event rentals:** The house can be rented for weddings, parties and meetings. Prices range from \$500 for a small meeting to \$6,000 for a wedding ceremony and reception with up to 200 guests, depending on the size of the event and the indoor and outdoor spaces used.



In the fiscal year ending June 30, 2022, rentals were expected to generate \$80,000 in revenue, producing \$60,000 in net income after expenses of \$20,000. Management has decided to exit the wedding business after October 2022, to use its space and time for events more closely related to the house's mission.

**Members and donors:** Glessner House has about 250 members, accounting for \$20,000 in annual revenue. By contrast, an annual campaign is expected to raise \$103,900, almost half of it from board members; an annual benefit is projected to net \$21,000; and other fundraising efforts are budgeted to bring in a net total (after expenses) of \$31,900. Additional donated income includes \$70,000 from corporations and foundations, \$49,425 from government agencies, and \$12,000 from individuals.

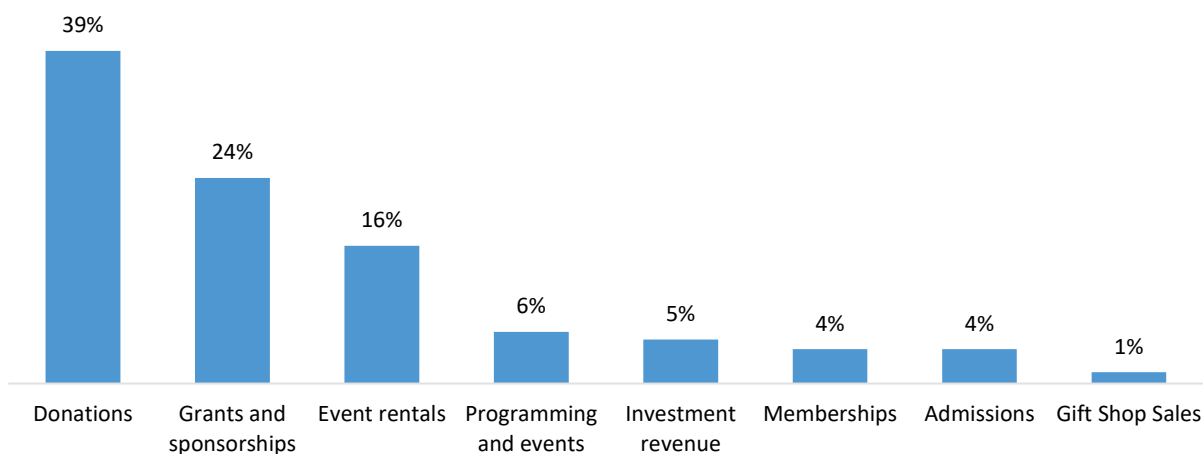
**Marketing strategy:** The house currently relies on a mix of paid advertising and social media in its marketing efforts.

**Organization and staffing:** Glessner House has three full-time employees and one half-time employee, including a development manager, venue manager, visitor services manager, and executive director/curator. The visitor services manager oversees docents and other volunteers.

**Budget:** For the fiscal year ending June 30, 2022, the house projects it will realize \$448,225 in revenue. A breakdown of the major revenue categories is shown in **Chart 8**.

Expenses are budgeted at \$465,879. Employee compensation, benefits, and other staffing costs represent 54% of that total, followed by general operational costs, at 29%; marketing and fundraising costs, at 11%; and program, gift shop and rental costs, at 6%.

**Chart 8: Breakdown of Glessner House revenues (2022)**



**Key challenges:** In December 2019, an assistant director left, leading to a staff restructuring. Leaving this position vacant allowed Glessner House to navigate the pandemic without cutting employees' hours, but it also created a staff shortage that has required the executive director to work double time to this day.

During the pandemic, the house was closed from March through August of 2020 and then again from Thanksgiving 2020 through March 2021. Management swiftly moved some programs online and maximized the use of the house's courtyard. From the courtyard, about 100 visitors a day were





able to peer inside the house's windows and scan QR codes for more information. Glessner House also started its outdoor concert series, rented the courtyard for some small weddings, and supported neighborhood groups by allowing the courtyard to be used for a preschool music program and a local synagogue's High Holy Day services.

## Hammond-Harwood House

**History:** Matthias Hammond was a successful young tobacco planter who was elected to represent Annapolis in Maryland's colonial legislature in 1773. He commissioned William Buckland, a renowned architect, to build a townhouse on a four-acre site in the city's most fashionable neighborhood. Buckland died suddenly, leaving his apprentice, John Randall, to complete the house in 1774.



Hammond-Harwood House

Hammond never lived in the house, choosing to reside at his plantations. Instead, he rented out parts of the house to various affluent tenants, including Jeremiah Townley Chase, a judge and former mayor who used the north wing as a law office. Chase bought the house in 1811 for his daughter Frances and son-in-law Richard Loockerman. In a remarkable coincidence, architect Buckland's great-grandson William Harwood married one of the Loockermans' daughters, and Harwood's daughter Hester Ann was the last family member to live in the house.

After Hester Ann Harwood's death in 1924, St. John's College purchased the house in 1926, turning it into the home of the nation's first decorative arts curriculum. Under the economic pressure of the Great Depression, the college rented the house to the Federated Garden Clubs of Annapolis in 1938, then sold it to the newly formed Hammond-Harwood House Association to become Maryland's first independent house museum in 1940.

**Mission:** "To preserve, for public education and enjoyment, the architecturally significant Hammond-Harwood House museum and its collection of fine and decorative arts."

**Visitor profile and attendance:** The house draws a mixture of tourists and local residents interested in colonial history, architecture, and decorative arts. Management estimates about half of visitors are from the Maryland-Virginia-District of Columbia region and the rest are from other parts of the nation and 35 other countries, with some attracted by the nearby U.S. Naval Academy. Attendance is projected at 6,000 from tours, programs, and other events in 2022.

**Visitor experience:** Hammond-Harwood House is open from noon to 5 pm six days a week (except Tuesdays), from April through December. Visitors can choose a 60-minute docent-led tour of the main house, old kitchen, and garden; a 30-minute docent-led tour of the main house alone; or a free self-guided tour of the exhibitions and garden. For either of the docent-led tours, adult admission is \$12, with discounts for seniors, students, and AAA members, and free admission for museum



members, children under 6, St. John's College students, and Naval Academy midshipmen. Reservations are encouraged for individual tours and appointments are required for group tours.

A monthly *Jane Austen Tour* compares the early 19th century social lives of the Loockerman family with those of the English characters of the same era in Austen's novels. Other specialized tours focus on the art in the house, its clocks, and its connections to African-American history.

Two exhibitions are on display. A permanent exhibit, "Slavery at Hammond-Harwood House," explores the lives of the enslaved individuals who built the house, worked there as servants, or toiled on the Hammond family's plantations. The other exhibit changes annually and focuses on various aspects of the history of Annapolis or the house.

Other programs include lectures (some of them online), which may be tied to special exhibits; cooking demonstrations of colonial recipes and foods eaten by slaves; artisan workshops; activities for children; and walking tours of sites connected to the house's occupants and of early Annapolis cemeteries.

**Event rentals:** Unlike other comparison institutions studied, Hammond-Harwood House is not available for rentals.

**Members and donors:** Hammond-Harwood House has 240 members, responsible for projected annual revenue of \$28,000. By comparison, an annual campaign is expected to raise \$35,000, while other donated revenue includes \$21,000 in grants and \$15,000 from individuals.

**Marketing strategy:** The house's marketing efforts combine social media with partnerships with tourism organizations, such as Visit Annapolis.

**Organization and staffing:** Hammond-Harwood House has five regular employees: an executive director, curator, office manager/events coordinator, part-time facilities manager, and part-time museum assistant. Of the roughly 20 docents, about half are volunteers and about half are paid.

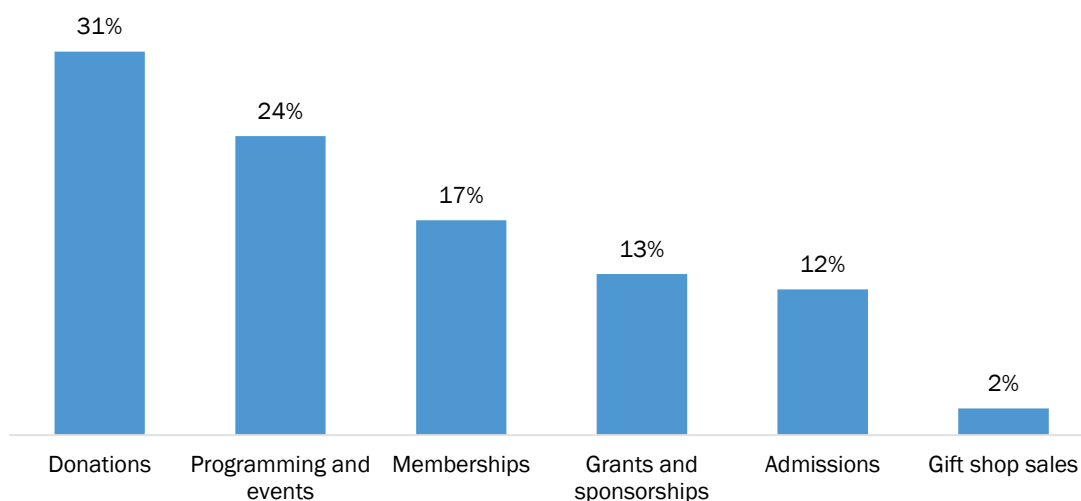
**Budget:** Management projects the house will take in \$160,500 in revenue during 2022. Major revenue categories are shown in **Chart 9**. Not shown is an expected transfer of \$151,550 from the organization's endowment to help balance the budget per a policy of drawing about 4% annually from that approximately \$4 million fund.

Expenses are expected to total \$312,050. Employee compensation, benefits, and other staffing costs account for 61% of those costs, followed by general operational expenses, at 26%; program and gift shop expenses, at 10%; and fundraising and marketing expenses, at 3%.





**Chart 9: Breakdown of Hammond-Harwood House budgeted revenues (2022)**



**Key challenges:** When the current executive director took over in 2016, the house faced financial difficulties and was drawing 6% of its endowment annually, a level that was not sustainable. She cut spending, led creation of a strategic plan, added programs, and oversaw renovations aimed at making the house “worthy of greater support.”

During the pandemic, the house was closed for all but one month of 2020 (in late summer) and did not reopen until June 2021, about three months later than its normal seasonal opening. Management developed online programs and obtained about \$66,000 in federal Payroll Protection Program loans to avoid unpaid furloughs for staff.

## Jewish Museum Milwaukee

**History:** The first Jews settled in Milwaukee in 1842, four years before the city’s incorporation. By 1850, the Jewish community had grown to 70 families and the first synagogue was founded. As the community continued to expand, its members started to move into the North Shore suburbs in the 1920s, while still retaining a presence within the city limits. By the 1960s, the metropolitan area’s Jewish population leveled off at around 25,000.



Jewish Museum Milwaukee

A number of institutions were established to serve the community’s needs, including the Milwaukee Jewish Welfare Fund. The fund was founded in the 1930s as an umbrella organization for raising and distributing funds among various Jewish agencies,



and by the 1970s it had evolved into the Milwaukee Jewish Federation. In 2008, the Federation opened Jewish Museum Milwaukee at its Helfaer Community Services Building on the city's east side, overlooking the lakefront.

**Mission:** "... dedicated to preserving and presenting the history of the Jewish people in southeastern Wisconsin and celebrating the continuum of Jewish heritage and culture. ..."

**Visitor profile and attendance:** The museum attracts local residents and tourists who are interested in Jewish history or in its special exhibits, some of which are focused more broadly on social justice through the lens of Jewish values.

Museum management estimates about half of walk-in visitors are Jewish, with about 90% non-Jewish attendance in school groups coming to learn about the Holocaust, and in groups from agencies (such as the Milwaukee Police Department) that offer diversity training to their employees. Approximately 70% of visitors come from within the four-county metro Milwaukee area and about 30% come from elsewhere, particularly from Illinois.

Attendance totaled approximately 11,000 in the 2019 fiscal year, and special exhibits were expected to draw three times as many visitors the following year if the COVID-19 pandemic had not struck.

**Visitor experience:** The museum is open from 10 am to 5 pm Monday through Thursday, 10 am to 3 pm Fridays, and noon to 4 pm Sundays. It is closed on Saturdays. Adult admission is \$9, with discounts for seniors, students, and people with disabilities, and free admission for museum members, active-duty members of the military, and children under 6.

General-admission visitors typically view the museum's exhibits at their own pace, while guided tours are available for groups. Museum management sees group sales, projected at \$6,500 this fiscal year, as an area of potential growth.

The museum presents about 40 programs a year in connection with its special exhibits. These programs, typically lectures and panel discussions, draw between 30 and 120 people each. Three ongoing programs are presented virtually: *Museum Moments*, focusing on items from the museum's archives; *Conversation Starters*, focusing on someone in the community; and *Virtual Passport*, offering views of other (mostly Jewish) museums.

In addition, the museum has created two traveling exhibits: "Stitching History from the Holocaust," based on the work of a Jewish dress designer who unsuccessfully tried to flee from Czechoslovakia to Milwaukee to escape the Nazis; and "Blacklist: The Hollywood Red Scare," recounting the experiences of screenwriters and directors who refused to cooperate with a congressional investigation of alleged Communism in the entertainment industry. These exhibits have been booked a combined total of about a dozen times at other museums around the country, commanding \$10,000 to \$20,000 for each three-month engagement. In the current fiscal year, they are responsible for a projected \$32,000 in revenue, or about twice as much as museum admission and Milwaukee-based programs combined.

Other off-site programs include talks by the museum's curator and educator to various groups, as well as occasional events in conjunction with other cultural organizations, such as the Milwaukee Symphony Orchestra, Milwaukee Art Museum, or Milwaukee Film. Based on demand for its



professional presentations, the museum plans to double its fee for talks by its curator and educator, from \$150 to \$300.

**Event rentals:** The museum is available for rental after 5 pm Sundays through Thursdays, excluding Jewish holidays and most national holidays. Although the museum's website indicates it can accommodate a range of events, rentals are typically limited to occasional board or nonprofit group meetings, generating negligible revenue.

**Members and donors:** The museum has about 530 members, accounting for \$90,000 in annual revenue. More than five times as much revenue comes from individual donors and grants from foundations (both Jewish and non-Jewish) and corporations, many of them supporting particular programs or exhibits. An annual campaign is expected to raise \$60,000, and donors give \$133,817 through the Jewish Community Foundation. The parent Jewish Federation is contributing almost \$80,000 this fiscal year, and public support totals \$17,000 from the Wisconsin Arts Board, Wisconsin Humanities Council, and Milwaukee Arts Board.

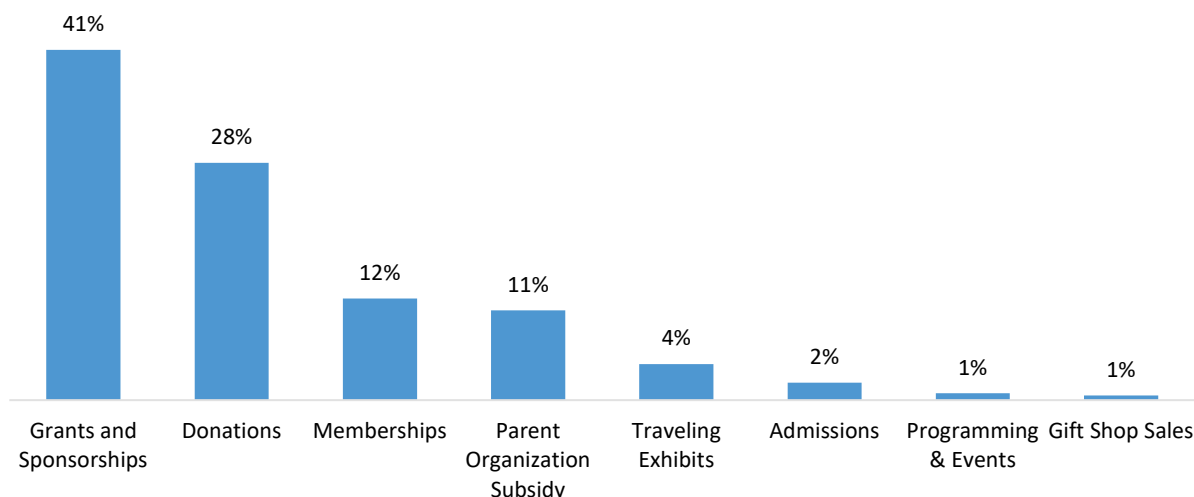
**Marketing strategy:** The museum currently relies on a mix of print and radio advertising and social media. Going forward, it is seeking a digital marketing firm to manage its social media and digital ad buys, and it expects to invest \$50,000 to \$75,000 in that effort.

**Organization and staffing:** Five employees are dedicated to the museum: a curator, educator, archives/information technology/operations manager, archivist, and executive director. A receptionist/membership coordinator is shared with the parent Jewish Federation, while marketing and grant-writing are outsourced.

**Budget:** For the fiscal year ending June 30, 2022, the museum projects it will take in \$730,495 in revenue. A breakdown of revenue sources is shown in **Chart 7**. It should be noted that grants and sponsorships are largely provided through private foundations and companies. Only 5% are government funded.

Expenses are also projected at \$730,495. Employee compensation, benefits, and other staffing costs represent 59% of that total, followed by general operational costs, at 20%; program and gift shop costs, at 13%; and marketing and fundraising costs, at 8%.

**Chart 7: Breakdown of Jewish Museum Milwaukee revenues, FY 21-22**



**Key challenges:** In response to the pandemic, the museum quickly moved its programs online, by creating virtual tours of its special exhibits and by starting *Museum Moments*, *Conversation Starters*, and *Virtual Passport*. Management says this strategy not only succeeded in maintaining the institution's profile, but also expanded its geographic reach, attracting members from other states.

## Lincoln-Tallman House

**History:** William Tallman was an affluent East Coast landowner. Seeking a base from which to manage his Midwestern properties, he moved to Janesville, where he soon became a local leader. His mansion, just north of the city's downtown, was completed in 1857.

Tallman was also an abolitionist, and he was impressed by a speech that abolitionist leader Abraham Lincoln delivered in nearby Beloit in 1859. Tallman invited Lincoln to speak in Janesville the next day, and the future president wound up spending two nights in Tallman's home as a result. The mansion is the only Wisconsin building still in existence where Lincoln is known to have stayed.



Lincoln-Tallman House

After Tallman's death in 1878, other members of his family continued to live in the house until 1915. By then, his two grandsons had moved into homes that they had built for their families just south of the mansion. The original residence remained in the family's hands until 1950, when it was donated to the City of Janesville, along with its adjacent carriage house. The museum opened the following year, under the management of the Rock County Historical Society.

Another city-owned historic building, the Wilson King Stone House (built in 1842), was moved to the society's campus in 1964. In the 1990s, the society obtained the homes of Tallman's grandsons, turning one into the Helen Jeffris Wood Museum and Visitor Center and the other into the society's Charles Tallman Archives and Research Center. And in 2016, the society moved yet another historic building, the Frances Willard Schoolhouse (built in 1853 and obtained by the society in 1969), onto its campus.

**Mission:** "The Rock County Historical Society enriches and engages the communities in Rock County, Wisconsin, through preservation and dissemination of the unique history and heritage of our area."

**Visitor profile and attendance:** The mansion attracts tourists who are interested in its connection to Lincoln. Other than school groups, most visitors touring the mansion come from outside Janesville. By contrast, the museum offers a broader range of exhibits on Rock County history. Annual attendance is typically around 12,500 to 13,000 for the mansion and 6,500 to 7,000 for the museum.





**Visitor experience:** Both the Lincoln-Tallman House and the Helen Jeffris Wood Museum are open seven days a week, from 11 am to 3 pm daily from April through November, with extended hours during December. They are closed for updates from January through March. Adult admission is \$10 for a “classic” or holiday Lincoln-Tallman House tour, \$10 for the museum, or \$15 for both, with discounts for seniors and students, and free admission for society members, military veterans, and children under 6.

All tours of the mansion are docent-led, leaving hourly. In addition to the “classic” guided tour, the docent-led tours include a variety of themed tours that focus on such aspects as art, the technology of the family’s times, the experience of the family’s servants, or behind-the-scenes parts of the house. The mansion’s Christmas display features 100 trees in the house alone and others on the grounds.

Other programs include Wednesday evening events featuring musicians, artists, and food trucks during the summer. The campus also hosts annual community events, such as a boutique bridal expo, a vintage car show, an arts festival, and the Taste of Rock County food festival.

The buildings operate as an integrated campus, with the visitor center and gift shop in the museum and educational programs in the schoolhouse. Future plans call for food service and catering operations in the Wilson King Stone House.

**Event rentals:** Some venues on the campus can be rented for weddings, parties and meetings. The society’s website indicates the Lincoln-Tallman House itself is available for rental, but the executive director told us it is not, and we were unable to resolve that conflict.

**Marketing strategy:** The society currently uses an outside consultant for marketing (after a series of part-time marketing staff members), an intern for public relations and events, and a volunteer for social media. Going forward, it plans to hire a full-time staff member for marketing, public relations, and events. It also buys advertising and promotes its attractions through the local convention and visitors bureau. Marketing efforts are targeted at northern Illinois and the Madison and Milwaukee areas.

**Finances and staffing:** We were unable to obtain a current or prior-year budget, and some financial details were not clear from the historical society’s Form 990.

According to the Janesville municipal budget, the city provides the society with a \$45,000 annual subsidy for the Lincoln-Tallman House; the society’s executive director tells us that this amount covers less than half of the utility bills for the mansion, and no additional subsidy is provided for the city-owned Wilson King Stone House. The city also pays \$5,000 a year directly to private contractors for lawn-mowing and snow-plowing services. The Rock County budget indicates that the society also receives some county funding, but we were unable to obtain more details about this revenue stream.

The society’s executive director estimated revenue from membership at about \$10,000 annually and indicated that grants and an annual gala are larger sources of donated revenue. We were unable to obtain information about the numbers of society members and employees.

Another source of income is rental revenue from two adjacent houses that were donated to the society. Owning these properties also gives the society options for future expansion, while preventing them from being used for incompatible purposes.



In a particularly unconventional partnership, the society is allowing a group of paranormal enthusiasts to hunt ghosts in the mansion, then sponsoring a fundraiser to announce their findings.

**Key challenges:** When the society's current executive director joined the organization in 2017, it was about \$25,000 in the red. Major staff turnover and right-sizing followed.

Two more full-time staff members left in January 2020. Their positions were left vacant to save money, and that move helped avoid staff cuts when the COVID-19 pandemic began. During the pandemic, the campus was closed from March through November of 2020 and all of its traditional revenue streams dried up.

In response, society management obtained a challenge grant, raised \$126,000, and received about \$66,000 from the federal Payroll Protection Program. The executive director worked without pay and avoided hiring any seasonal employees. During that summer, the society started the Wednesday evening programs, and its wedding business tripled because of the availability of its grounds for outdoor events when other indoor venues were closed. Upon reopening in December 2020, the society started a gift shop and moved the Christmas display outside before its regularly scheduled January-March shutdown.

## Pabst Mansion

**History:** Captain Frederick Pabst was a German immigrant who commanded Great Lakes steamships and married into the family that owned Milwaukee's Phillip Best Brewing Co. By 1888, he was the company's sole owner, and in 1889 he renamed it the Pabst Brewing Co.

The following year, Pabst and his wife, the former Maria Best, began construction of a mansion on Milwaukee's near west side. Designed by noted architects George Ferry and Alfred Clas, the mansion was completed in 1892 at a cost of more than \$254,000 (\$8.3



Pabst Mansion

million in 2022 dollars), including furnishings and artwork. The couple expanded their art collection and entertained extensively in the house until the deaths of Frederick in 1904 and Maria in 1906.

In 1908, the Pabst family sold the house to the Roman Catholic Archdiocese of Milwaukee, which used it as the archbishop's residence for more than 67 years. When the archdiocese sold the mansion in 1975, the building appeared destined for demolition to provide a parking lot for a nearby hotel. That touched off a three-year preservation battle that led to the mansion's listing on the National Register of Historic Places in 1975 and its opening as a museum in 1978.





**Mission:** “... a vital house museum that preserves the legacy of the Pabst family and their impact on the citizens, history, and culture of the Greater Milwaukee community.”

**Visitor profile and attendance:** The mansion draws tourists who are interested in the history of Pabst Brewing Co. or of beer in general. Its tours, other programs, and selection of gift shop merchandise are all designed to appeal to those interests. Attendance from tours alone totaled approximately 40,000 in the fiscal year ending March 31, 2022, an increase of about 8,000 from the last pre-pandemic year.

**Visitor experience:** The Pabst Mansion is open seven days a week for most of the year, from 10 am to 4 pm Monday through Saturday and from 11 am to 4 pm Sundays. From mid-January to mid-March, it is closed on Tuesdays and Wednesdays. Admission prices vary, depending on the type of tour selected. Reservations are encouraged, but walk-ins are welcome.

Visitors can take self-guided tours at noon most days and for much of Sunday, with docent-led tours at other hours. In addition to the “classic” 60-minute guided tour, the docent-led tours include a family-friendly 30-minute version on Saturday mornings and a variety of themed tours that focus on such aspects as art, floral arrangements, or behind-the-scenes parts of the house. Reflecting the nature of the Pabst family business, alcohol is served on several tours, notably beer with the *Blue Ribbon Happy Hour Tours* on late Friday and Saturday afternoons and champagne with the *Sunday Mimosas Tours* on Sunday mornings.

More themed tours are offered on a seasonal basis, such as around Halloween and during Women’s History Month. The mansion’s Christmas display, featuring some three dozen trees and numerous other decorations, drew about 10,600 visitors in a six-week period in 2021.

Other programs include a weekend evening beer garden, open from Memorial Day weekend through Oktoberfest, and a bike tour to sites connected to Pabst and/or beer history. Volunteers also offer off-site lectures about the mansion and Capt. Pabst.

**Event rentals:** The mansion can be rented most evenings for weddings or other events, including sit-down dinners and cocktail receptions. However, it lacks a ballroom, which limits indoor seating capacity to 30 guests for a wedding ceremony or 50 for a dinner. Somewhat larger numbers can be accommodated for outdoor events or indoor cocktail parties.

Rental prices start at \$5,000. Over the three fiscal years prior to the pandemic, rentals generated an average of about \$9,000 a year in revenue.

**Members and donors:** The mansion has about 800 members, accounting for revenue of \$27,307 in the 2019-2020 fiscal year. Other donated revenue averages about \$645,000 a year.

**Marketing strategy:** Because of its name recognition in the community, the mansion typically does not buy paid advertising and instead relies primarily on word of mouth, public relations, and social media.

**Organization and staffing:** The executive director of the Milwaukee County Historical Society is serving as the mansion’s acting executive director, under an agreement that allows staff from either institution to assist the other one. As of this writing, this agreement had been in place for more than a year, with no determination as to how long it might continue.



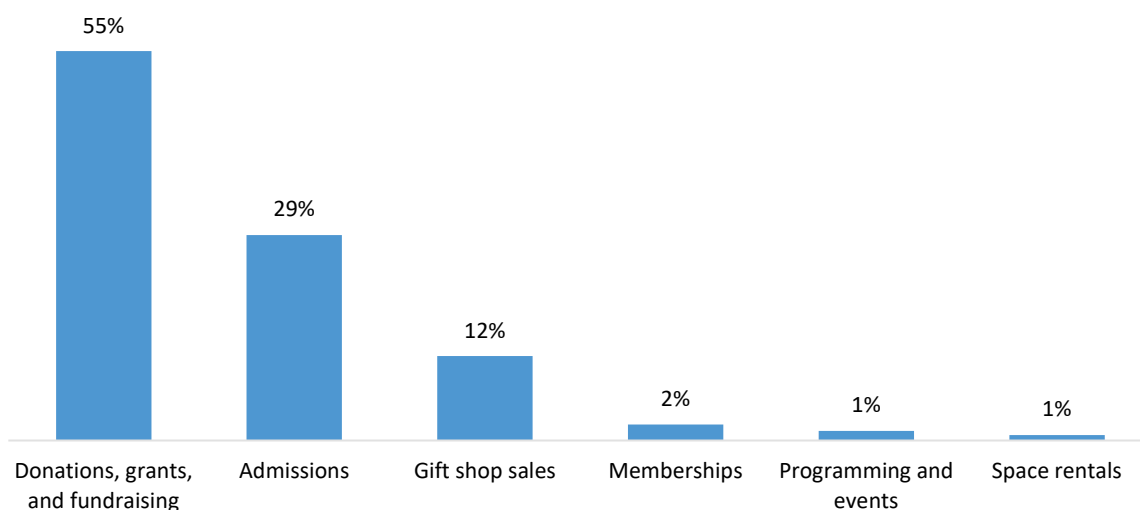
The museum employs three full-time equivalent administrative employees, working in the curatorial and visitor services/operations areas and the office, as well as museum assistants who are paid hourly (we were unable to obtain more information about the number and duties of these employees). Docents are volunteers.

**Budget:** Because budgets were not available for the current or prior fiscal years, we instead relied on financial data reported in the Pabst Mansion's Form 990 filings with the Internal Revenue Service. Recognizing that the 2020-2021 and 2021-2022 fiscal years were unrepresentative because of the pandemic, and that some line items fluctuated significantly for reasons we were not able to ascertain, we calculated a three-year average of revenue and expenses for the fiscal years ending in 2018, 2019, and 2020.

In that three-year period, the mansion took in an average of \$1.2 million in revenue. Key revenue categories are shown in Chart 10. The Pabst Mansion is unique among the comparison museums in the relatively large portion of its revenues that are realized from gift shop sales (12%), which may be partly explained by the fact that gift shop merchandise is not limited to items tied directly to the mansion but includes other Pabst- and beer-related items. In addition, the museum requires visitors to enter through the gift shop and wait there for their tours to start, and allows them to order and drink beer there.

Expenses averaged \$974,698. The largest share of that amount, 42%, went to employee compensation, benefits, and other staffing costs, followed by general operational costs, at 36%; program and gift shop costs, at 14%; and marketing and fundraising costs, at 8%.

**Chart 10: Breakdown of Pabst Mansion revenues (three-year average as reported in IRS Form 990 documents, 2018-2020)**



**Key challenges:** The mansion's former president departed in spring 2020, at the start of the pandemic, and had not been replaced by that winter, when the historical society reached out to mansion staff to set up a joint program. Conversations between both organizations' staff and board members at that time led to the current arrangement, which allowed them to share staff and avoid layoffs. The new management expanded the number and variety of tours and added alcoholic beverage service.



During the pandemic, the mansion was closed for almost 13 months, from March 2020 to April 2021. Management used this time for needed electrical rewiring in the building. Upon reopening, the mansion implemented a timed ticketing system with online reservations, which also allows better tracking of attendance.

## Comparison Institution Takeaways

Our broad analysis of the five comparison institutions yielded several insights that may be instructive to CAVT leaders as they look to the future. Here are the top takeaways:

**Know yourself:** Each of the comparison institutions has a clearly defined mission that guides all of its activities. Understanding these missions helps management focus on their institution's strengths in developing programs, raising funds, allocating resources, and marketing to target audiences.

Several comparison institution leaders were familiar to some extent with CAVT, and all of them raised questions about Villa Terrace's mission. None of them see it as a decorative arts museum or as a representative example of Milwaukee's architectural history. They see its strengths in its scenic grounds and its desirability as an event venue. The recent exhibit on landscape architect Frederick Law Olmsted was cited as a good fit and a potential model for future programming.

**Depend on the kindness of friends:** With regard to their own operating budgets (i.e. excluding any support from friends groups), none of the comparison institutions relies on earned revenue to the extent that CAVT does. Donated revenue (including public or parent organization support and grants) provides the majority of income for all of the comparison institutions, as compared to 40% for CAVT.

At all of the comparison institutions, donated revenue consists of a mixture of grants and sponsorships from corporations, foundations, and government agencies; individual donations; and membership dues. Some institutions conduct annual fundraising campaigns or other fundraising efforts.

**Remember your members:** All of the comparison institutions have a membership structure within their nonprofit organizations. None of them has a separate friends group in addition. One leader told us that this arrangement ensures the organization speaks with a single voice and pursues a single set of fundraising priorities.

By themselves, members' dues are not a major source of revenue for any of the comparison institutions. Instead, these institutions' leaders see their connection to their members as a way of building a base of support to ensure the museums' future success.

**Be sure your board is on board:** Several of the comparison institution leaders mentioned the importance of a strong and supportive board. They said their institutions benefited from board members who can contribute expertise, connections, money, or both, while giving management the flexibility to innovate.

At Hammond-Harwood House, some board members who were not helpful left and were replaced with others who have strong ties to the community and experience owning historic homes. At Glessner House, board members contribute much of the money raised in the annual campaign. And the boards of Pabst Mansion and the Milwaukee County Historical Society worked together on the current management arrangement.



**Keep peace in the family:** Of the institutions studied, only Lincoln-Tallman House is part of a group of buildings under common management, like CAVT. Unlike CAVT, however, all of the buildings are located together on the Rock County Historical Society campus; their programming and other activities are coordinated; and most of them share a common heritage. Also unlike CAVT, the buildings with a Tallman family heritage and those moved from elsewhere did not at one time have separate friends group constituencies.

**Don't go it alone:** Most of the comparison institution leaders said they collaborate with a variety of partner organizations in raising their visibility to attract visitors. These partners may include established tourism agencies that include the institution in their recommendations, or other attractions that offer package deals to visitors.

Jewish Museum Milwaukee's executive director cited the *Museum Mile*, a collaborative effort of her institution, CAVT (whose executive director was instrumental in creating it), the Museum of Wisconsin Art, and North Point Lighthouse Museum. The five small lakefront museums offered free or reduced admission, and a free connecting shuttle, on Mother's Day every year for nine years, until the pandemic brought the effort to a halt.

Another example of collaboration came from the Glessner House executive director, who in 2011 helped launch a consortium of Chicago-area house museums for joint marketing, with a website that helps potential visitors find which attractions match their interests.

**Be a good neighbor:** Several of the comparison institution leaders said their connections to their surrounding communities helped build local support.

For example, the Rock County Historical Society hosts the *Taste of Rock County* food festival, a vintage car show, a boutique bridal exhibition, and an arts festival on the campus that includes Lincoln-Tallman House. At Glessner House, leadership told us neighbors see the building as a community center that hosts neighborhood association events.

**Don't be boring:** Leaders at all of the institutions stressed the importance of offering a variety of programming options beyond a standard guided tour. Those at historic houses warned that such institutions cannot survive by limiting visitors to a one-size-fits-all tour that appeals only to a small segment of the market. Diversified programming is needed to counteract the staid stereotype of historic houses and attract repeat business, they said.

As a result, three of the four historic houses studied offer a variety of specialized tours. The homes' art collections, architecture, and behind-the-scenes aspects are common themes. Other tours focus on the lives of the family servants; women in the family; and the technology of the times. Pabst Mansion plays to its visitors' interest in alcohol with its *Blue Ribbon Happy Hour* and *Sunday Mimosa* tours. Seasonal displays around Christmas are typical, and Pabst Mansion also offers Halloween-themed tours.

Other programming at various institutions includes lectures; food-related events, sometimes emphasizing food prepared or eaten by the house's servants; and shorter, family-friendly tours or children's activities.

**Get out of the house:** All of the comparison institutions extend their programming beyond the walls of their buildings – at least to their grounds, and sometimes to their neighborhoods or to other parts of their communities. This capability was particularly useful during the pandemic, as outdoor and online



activities were able to continue when the buildings were closed. Several institutions also offer walking or bicycle tours of their neighborhoods or of sites that are related in some way to the institution's mission.

**I do's and I don'ts:** One of the biggest differences between the comparison institutions is their approaches to renting space for weddings and other events, approaches that have evolved over time in some cases. This often reflects differing assessments among institutions – or between current and former leadership at the same institution – of the risks, rewards, costs, and benefits of hosting such events.

At one end of the spectrum is Hammond-Harwood House, which does not allow weddings at all. Museum leadership sees them as too great a risk to the contents of the house.

Glessner House rents space for weddings, parties, and corporate events, but has decided to exit the wedding business at the end of October 2022. Museum leadership has found that weddings are too labor-intensive and take up too many weekends that could be used for programs more closely related to the house's mission.

Conversely, Pabst Mansion has at some times in its past refused to host weddings for reasons similar to those expressed by others, but current Pabst Mansion management allows weddings, reasoning that “this house was built to entertain.”

Rock County Historical Society rents space for weddings and other events in some of its buildings and on its grounds. The executive director told us no events are allowed in Lincoln-Tallman House itself, for the same reason as Hammond-Harwood House.

By contrast, Jewish Museum Milwaukee is open to hosting more events, but sees the physical limitations of its kitchen as a barrier. It is possible that its religious restrictions – excluding Fridays and Saturdays, and allowing only Kosher caterers – also may be issues for some potential rental customers.

**Docent or not docent?** Comparison institutions are split on whether to allow self-guided tours or to permit only docent-led tours. Notably, this division closely parallels the institutions' differences on weddings. Those most concerned about possible harm to their collections are the most restrictive about both visitor access and wedding rentals, while those more open to self-guided tours are also more open to event rentals.

In the following section, we combine these insights and the findings from our earlier analysis of CAVT's governance, finances, and programming to offer some concluding thoughts for CAVT leaders as they seek to reshape the museums' future.



# INSIGHTS AND CONCLUSION

In many respects, our assessment of the outlook for Charles Allis Villa Terrace, Inc., is similar to past assessments we have conducted involving other Milwaukee County-owned arts, cultural, and recreational institutions. The county's flat operating support and its inability to appropriately address capital needs at the two facilities have impeded the museums' ability to invest in areas that might improve the visitor experience. That creates a vicious cycle in which the failure to make such investments detracts from the museums' appearance and further hampers revenue generation, thus making the museums even more reliant on county support that never grows, even at the pace of inflation.

The fact that CAVT is operated by a private nonprofit entity does create more flexibility for these museums in pursuing other revenue-generating opportunities than that enjoyed by some other county-owned amenities, like the Mitchell Park Domes. Certain environmental circumstances – including the potential to tap into new demand for arts and cultural programming as Milwaukee residents emerge from the pandemic and the museums' location in thriving east side neighborhoods – also provide promising opportunities. However, a key finding of this report is that internal structural impediments may also be dampening CAVT's ability to maximize such opportunities.

Here, we offer additional insights into three areas that are most in need of change and improvement. We cite these areas based on our analysis of CAVT finances and operations, our interviews with CAVT stakeholders, and our observations from our review of the comparison museums. We also discuss the pros and cons of maintaining the two museums under a combined governance structure.

## Purpose

An organization's purpose is separate from its mission or vision. Generally speaking, mission and vision statements identify why an organization exists and how it will accomplish its goals. Purpose, on the other hand, articulates why the organization matters and what makes it meaningful to others. A well-defined purpose can create clarity around how an organization positions itself, markets itself, and determines its offerings, and it even influences internal culture.

Our analysis and interviews with CAVT staff and leaders suggest that the Charles Allis and Villa Terrace museums could benefit from a more clearly stated purpose both individually and collectively. Neither museum has settled upon a strong proposition for why they matter. Meanwhile, the museums' owner and primary financial supporter, Milwaukee County, has cited a purpose of telling the story of Milwaukee's founding as a city of industry and entrepreneurship that appears somewhat inconsistent with CAVT's activities and offerings and that does not appear to be on the radar of board and staff leadership.

Our interviews with officials at comparison museums as well as CAVT suggest that historic houses are no longer considered valuable in their own right, and that such museums need to find their purpose in something larger. Those who were familiar with CAVT saw significant opportunities to engage with the rich history of Milwaukee's upper and lower east side neighborhoods, the landscape, and the lakefront. Some shared that working to expand programs and exhibitions focused on diversity and inclusion similarly could attract more patrons and grants.





CAVT leaders might take cues from the comparison museums we considered, which use a clearly defined sense of purpose to:

- **Strategically connect to the immediate neighborhood community.** For example, we observe that the comparison museums partner with neighborhood groups, associations, or historical societies; activate their outdoor spaces as community spaces; host preschool music and other population-targeted events; and offer package deals with local restaurants and businesses.
- **Develop more offerings that extend offsite.** For instance, the Pabst Mansion has outdoor beer and music programs that are connected with the building's brewing history, as well as bicycle tours of Pabst-related sites. Several other museums have outdoor concert series and walking tours of their neighborhoods that highlight significant aspects linked to the house.
- **Create more programming for specific target audiences.** Some tours of the Pabst mansion include stopping for drinks at an onsite bar, while Hammond-Harwood House offers a permanent exhibit, programs, and specialized tours that focus on its connections to slavery. While such opportunities obviously are unique to those museums, the Charles Allis museum has shown through the Downton Abbey exhibit that such potential certainly exists for CAVT.
- **Make use of traveling exhibitions and staff.** For example, staff at the Jewish Museum Milwaukee regularly give guest lectures and send well-developed exhibitions on tour to other museums in the country, which builds the museum's reputation and extends its mission.

As CAVT leaders engage in a process of planning and re-visioning, they might start by seeking to redefine why the two museums matter to the larger community. From there, the conversation would naturally expand to defining their niche within the broad arts and cultural framework in metro Milwaukee, and how they should take advantage of their foremost attributes to better connect with their surrounding neighborhoods.

Some museum leaders also suggest that greater attention to racial equity will be critical to the museums' financial future. An example could involve forging meaningful partnerships with local arts entities like America's Black Holocaust Museum and the Bronzeville Center for the Arts.

## Governance

A key objective of this research project was to help CAVT leaders discern a path forward that would ultimately lead to sustainable operating revenue growth. While important financial considerations have been discussed throughout the report, we must also consider CAVT's governance structure.

In particular, CAVT's current board structure suffers from vacancies and, according to several of our interviewees, a degree of dissention that appears to have stymied consensus on a clear strategic direction. That, in turn, detracts from efforts to set clear revenue goals and strategies, and even appears to have negatively affected staff morale.

The dissention appears to stem, in part, from some level of disagreement about whether a combined board should exist in the first place, or whether the two museums should instead go their separate ways. One driver of such disagreement may be the participation of friends group members on the board. FOVT and the recently disbanded FOCA have actively supported their respective museums for decades and maintain strong loyalties to those facilities. Those loyalties did not necessarily dissolve when the CAVT combined entity was created, which has led to some level of dissonance given that each friends group may fill up to two board seats and so many other seats have been vacant.



Similarly, the lack of engaged representation by the county has resulted in a missed opportunity to potentially engender greater county support for the museums, or at least greater understanding of the challenges they face.

While we are in no position to offer specific suggestions as to how to change board composition, consideration should be given to creating foundational documents that identify the roles and responsibilities of directors and specific board duties. Such documents would establish expectations for current and future board member participation. In a similar vein, written documentation defining the relationship between FOVT and CAVT would support a smoother relationship between the two boards and ease longstanding tensions on matters such as who is responsible for investments in the property and gardens and how to navigate responsibility and involvement with matters like memberships, sponsorships, and fund development.

In addition, we would suggest making an effort to fill board seats with more east side neighborhood community members, who could add important perspective and renewed interest in the health of the combined CAVT structure. Eliminating the guarantee of board seats to friends groups members also could be considered, particularly given the recent disbanding of FOCA and consequent imbalance in museum-specific representation.

Finally, hiring a board development consultant may be warranted as a precursor for preparing the board to chart a future path for CAVT and positioning the museums as valuable cultural institutions for a next-generation Milwaukee audience.

## Revenues

As has been discussed, CAVT faces a dual challenge of stagnant operating revenues and insufficient county capital repair financing to address a backlog that exceeds \$3 million. The lack of growth in the county's annual operating contribution has recently created the need to reduce staff hours, although programming has not been cut back. In addition, lack of funding has limited CAVT's ability to implement needed marketing efforts or to begin addressing priorities identified in the *Reimagining the Allis* plan. Similarly, unattended capital projects have become evident to visitors in some cases and may be deterring both visits and prospective wedding and event rentals.

Nevertheless, CAVT's revenue challenges extend beyond the county's contribution and renewed effort by museum leaders to address them could be fruitful. For example:

- **Parking concerns at Charles Allis** were often cited during interviews as the number one reason the facility does not attract more visitors or earn more from wedding and other event rentals. While parking clearly is an obstacle, we would suggest that it is not an insurmountable one. The Downton Abbey exhibit brought in record numbers of visitors, suggesting that people will find parking when appropriately motivated to visit the museum and that city government could be helpful in securing reserved street parking for some occasions. The museum also could consider its own remedial measures, such as partnering with a shuttle company and parking garage and adjusting its quite-low rental rates to absorb those fees, rather than requiring prospective renters to take on the additional event planning burden.

The Great Hall at Charles Allis is a beautiful, large space and its adjoining courtyard is similarly attractive when well-maintained. A combination of better marketing and a reworked



rental package may make the facility attractive to a wider range of wedding and business events despite the parking challenge.

- Speaking of which, **enhanced investments in marketing** could allow Villa Terrace to become an area attraction that extends beyond event rentals. Villa Terrace's outdoor programs that make use of the Renaissance Garden, terrace, and views in the summer months have proven appeal, and renewed marketing efforts could focus on ways to draw larger streams of visitors in the colder months. Enhanced marketing efforts also could focus on event attendees and how to bring them back to the facility for programming and exhibitions, and a neighborhood-based focus could grow memberships and admissions at both facilities. Of course, the use of marketing consultants or enhanced staff capabilities would require investment, but CAVT leaders have shown in recent months that they possess the ability to tap into philanthropic resources when they put their minds to it.
- CAVT would benefit from a **more strategic approach to admissions and membership growth**. The organization tracks admissions and memberships, but has no specific goals for their growth. Goal setting could lead to new or expanded ways of engaging visitors with the museums. In addition, opportunities likely exist to grow the attendance of people in the museums' immediate neighborhoods. For instance, could Charles Allis mirror Villa Terrace in offering courtyard yoga, music, or other activities? Similarly, how might a well-defined purpose influence admission and membership growth? While admissions and membership revenue always will account for a small piece of the revenue pie, growth in these areas also could help to boost philanthropic donations by increasing public familiarity with and connections to the museums.
- Recent success has shown the potential to **enhance pursuit of grants and other private sector funding**. In the 2022 budget, grants comprised 5% of CAVT revenues and individual and business contributions an additional 5%. The interim director increased those revenue line items substantially, bringing in an anticipated \$100,000 or more in new grant revenues to support racial equity exhibitions, program-specific sponsorships, and general operating costs. Similarly, individual contributions are a recent success story with room for further growth. In 2021, CAVT's \$38,000 in individual contributions were 82% higher than the \$20,000 budgeted and also exceeded the \$25,000 budgeted in 2019 and 2020.

## Combined CAVT structure

Some members of the CAVT board have suggested the current structure should be modified either to form two separate organizations and boards, or retain shared staff and governance but create two separate financial structures and budgets. This discussion has impeded the smooth functioning of the board and needs to be settled.

Our take is that the current combined structure has a number of beneficial elements. For example, it produces staffing and operating efficiencies that are critical given the fiscal limitations and reliance on public subsidies experienced by both museums. A combined operation also likely helps with staff recruitment and retention, as it allows for full-time staff positions with benefits that may be more appealing to qualified talent. Given the challenges involved with nonprofit board recruitment and active participation (which CAVT has already felt), having one board also makes sense from that perspective.



On the other hand, we acknowledge that under the current paradigm, there is less incentive for the combined CAVT to improve revenue generation at the Charles Allis museum than there would be if the Charles Allis was a freestanding entity with its own board. Also, given the current board's struggles to be unified in its decision-making in recent years, it is questionable whether the two museums *can* be effectively governed together.

Underlying this discussion is the role of Milwaukee County. County policymakers have increasingly questioned where the museums fit in the county's own mission and vision and why public sector ownership is necessary and appropriate. The lack of county participation on the CAVT board and the absence of a true champion for the museums among county elected officials are ongoing concerns that further suggest the possibility or need for change in the current structure.

Legal considerations would have to be investigated and settled should county leaders wish to transfer ownership of the buildings to CAVT or to two newly formed individual nonprofit organizations and boards. Perhaps more importantly, if a transfer of ownership is coupled with elimination of county financial support, it is questionable whether either museum – but particularly Charles Allis – could fill the resulting revenue gap. Conversely, it is also possible that a transfer of ownership could boost the museums' efforts to attract private philanthropic dollars from those who have been hesitant to support a publicly-owned entity, and it could allow for greater flexibility and capacity to address facility needs.

It is beyond the scope of this report to settle the question of county ownership, but the lingering questions surrounding the county role – like those surrounding a combined board and governance structure – must be settled for real progress to be made on the issues we have identified. For now, we would suggest that CAVT should place a priority on broadening its board membership (including filling its board seats reserved for the county) and re-establishing board cohesiveness. If it achieves success in those endeavors – and if museum leadership and staff can build on recent efforts to boost revenues from creative programming and grants – then the current structure should be retained.

As popular as Villa Terrace is as a wedding venue, its own marriage to the Charles Allis museum has produced an often dysfunctional family now in need of counseling. It also appears that these two lakefront assets have suffered from a lack of clear guidance, like ships lost in the fog.

Still, both museums have potential to be transformed into important community assets. With improved governance, a clear sense of purpose, and enhanced revenue generation, both could bolster their status in Milwaukee County's arts and culture scene, and their existence as a combined entity would appear to better position them to achieve that status than two distinct operations.

