EXECUTIVE SUMMARY

This Plan will demonstrate that, should Another Planet Entertainment (APE) withdraw from the management of the Castro Theatre, the Castro Theatre Conservancy (CTC) is prepared to purchase the theater from the Nasser family or enter into a long-term lease for the renovation and operation of the Castro Theatre. APE, who insist that they must remove the orchestra floor seating of the Castro, has failed to demonstrate a commitment to the LGBTQ community or to the idea of maintaining San Francisco’s last movie palace as a home to cinema. CTC has joined many community organizations and individuals who have endorsed the landmarking of theatrical seating in the theater and opposed APE’s receiving the approvals they require from city agencies. This plan will explain how CTC would operate the Castro Theatre and demonstrate that it will preserve the intrinsic values of the building and its crucial features; return an active, every-day and every-night business to the fabric of the Castro neighborhood; preserve LGBTQ- and neighborhood-related programming; and operate the Castro as a community resource that will be financially sustainable without desecrating a national landmark. Our plan is a responsible, logical, immediately available, and superior alternative to the APE intention.

Sixty days after purchasing the theater or signing a 60-year or longer lease with the Nassers, CTC will begin operating the Castro, with a plan for activity every day of the year, including 200 days of repertory, first run, and other films that CTC itself presents, 52 days of Film Festival presentations, and 24 days of LGBTQ+-related programming. Additional programming of concerts, comedy nights, film festivals, drag shows, sing-alongs, etc. (see page 6) will create a vibrant community asset, a contrast to APE’s approach to programming. Five full-time staff will be engaged during Year 1, which will also see the most urgent repairs to the building made, and establishment of a nonprofit membership and contribution program. Year 2 will feature engagement of an architect and engineers, completion and City approval of plans, and the quiet phase of a capital fundraising campaign. The campaign will be completed in Year 3, as will any capital improvements that require the temporary closing of the theater.

The operation will proceed with a clear understanding that service to the community, particularly the LGBTQ+ community and to the art of cinema, comes first, and that the Conservancy is a nonprofit organization that, like arts organizations across the City and the nation, will function with a blend of earned income through ticket sales, concessions revenue, and rentals, along with a reliable, structured infusion of contributions from members and patrons. This is a model that tens of thousands of successful nonprofit community arts organizations have championed for generations.
INTRODUCTION

The Castro Theatre Conservancy (CTC) was formed in July 2020 with the goal of preserving and maintaining the Castro Theatre as a cultural and entertainment venue for motion pictures, live performances, and special events; a cultural center of the LGBTQ+ community; and a landmark of international importance. After the theater closed at the beginning of the Covid pandemic, with its entire staff dismissed, the Conservancy began assembling its own staff and volunteers, at first to do research about the theater, and then to contact the Nasser family to explore the possibility of purchasing the building and running it as a nonprofit art house, maintaining and expanding the many ways it has been serving its community and the world of cinema.

Our research in 2020 included touring the theater with the noted architect Mark Cavagnero and the well-respected structural engineer and designer David Mar, and conversations with Steven Nasser, who informed us that the theater was not for sale, though the Nasser family might consider a long-term lease. CTC, which had developed into a 20-person Working Group and a smaller Board of Directors (incorporated as a California nonprofit corporation with 501(c)3 tax deductible status) believed that the theater building would require renovation and restoration work likely to cost between twenty and forty million dollars, and that funds of that magnitude could be raised in the Bay Area—but only if it were clear that CTC either owned the building or controlled it for at least 60 years. Negotiations with the Nassers over a lease arrangement bogged down quickly, and we soon learned from Steve Nasser that the family was negotiating with a corporation that they believed would be in a better position than the Conservancy to program the Castro.

When that corporation turned out to be Another Planet Entertainment (APE), the CTC was initially pleased that the Nassers had found someone capable of re-opening the theater, of utilizing it as even more of a multi-use facility than it had been before, and of financing a much-needed renovation. It was only when we heard about and saw APE’s plans for the theater—including removal of the orchestra floor seats, replacing them with flat panels suitable for dancing or banquets, but not at all suitable for film—that we became alarmed.

Under pressure from CTC, the Friends of the Castro Theatre Coalition, and others, APE announced changes in their initial plans, including motorized risers and removable stacking chairs—a setup we believe would be guaranteed to discourage movie-lovers from returning after a first experience. Our concern was intensified by APE’s many statements to the effect that film is a dying art (their attorney presented detailed attendance figures from APE’s own poorly conceived and promoted 100th Anniversary Celebration—“8 people attended ‘Casablanca’”—as evidence of the community’s lack of interest in attending movies at the Castro, ignoring the many movies presented within the last year, by the Silent Film Festival, Movies for Maniacs, and
others, that sold 1,000 or more tickets at a single showing). It became clear that even if APE agreed to show films, their heart would not be in it, and their goal would likely be to demonstrate the lack of public interest in film so that they could be free to present what they know, and know to be profitable – rock and pop concerts, comedy, and other popular entertainment. Inexplicably, and without compelling evidence, they insist that the orchestra-style seating and sloped floor must be destroyed for them to be successful.

APE also seemed lacking in commitment to the LGBTQ+ community, based not only on their programming from the time they took over management of the theater, but on their refusal to meet with, or listen to, representatives of the Friends of the Castro Theatre Coalition and the Castro LGBTQ Cultural District. We also became aware of the strong likelihood of APE not honoring their financial commitments, as happened at Bill Graham Civic Auditorium.

Since the announcement of APE’s plan to destroy the traditional movie theater seating of the Castro, CTC has worked with the Friends of the Castro Theatre Coalition, the Castro LGBTQ Cultural District, SF Heritage, the Castro Merchants, the Art Deco Society of California, GLBT Historical Society, Friends of Harvey Milk Plaza, the Roxie Theatre, and many others to discourage removal of the seats and encourage a commitment to the Castro’s traditional activities: particularly film and LGBTQ+-related events. We have not advocated against APE’s plan to host concerts at the Castro, but rather to fill the remainder of the year with the types of events that have historically served the film and LGBTQ+ communities. The obvious way to influence APE has been by attempting to influence the San Francisco governmental agencies – the Historic Preservation Commission, the Planning Commission, the Board of Supervisors’ Land Use and Transportation Committee, and the Board of Supervisors itself – to landmark the interior of the theatre, including the “fixed theatrical seating configured in movie-palace style,” and to deny APE the Certificate of Appropriateness and Conditional Use Authorization it requires in order to pursue its agenda for converting the Castro from a multi-use facility mainly showing films to a multi-use facility in which films will be generally unwelcome, and screened in an inferior fashion.

As we and our allies have had some success in this effort, the principal argument made by those endorsing APE’s plans is that, should APE be denied the permits it is seeking from the City, it may withdraw from its agreement with the Bay Properties (the Nassers’ real estate firm, which owns the Castro Theatre), and the Nassers, who have demonstrated a lack of willingness to finance the needed work on the building themselves, will close the theater. This Plan makes clear that, should APE withdraw, there is an obvious alternative to APE: Bay Properties can sell or lease the theater to a nonprofit corporation that will run it and renovate it as a multi-use, beloved and iconic movie palace – similar to dozens of other such organizations (the
Paramount, Roxie, Smith-Rafael, and Stanford Theaters in the Bay Area; the Avalon in Washington DC; the Fox Theaters in Atlanta and Detroit; the United Palace in New York City; the Paramount in Austin; etc.) all over the United States. That nonprofit organization does not need to be the CTC, though the Conservancy is the most likely and most obvious organization, given its history of advocacy for the Castro, the distinguished, varied, and versatile membership of its Working Group, and its capability to involve the philanthropic, film-loving, and civic communities of the Bay Area. Given the privilege and the opportunity to own and/or operate the Castro Theatre, CTC would give confidence to community members and public servants that there is a responsible, logical, and ready alternative to APE.
THE VISION

YEAR 1

- Purchase the theater from Bay Properties (this could be done with one or two large gifts), or sign a 60-year lease with them.
- Starting with the day we reach agreement with the Nassers either to buy the Castro Theatre or to lease it long-term, we will need roughly 60 days with the theater closed to undertake the most urgent and long-neglected internal repairs and improvements, and to hire staff.
- Further develop the CTC Board of Directors, adding major donors and community leaders. Establish a community advisory committee comprised of key stakeholders, including representatives of the Friends of the Castro Theatre Coalition, the Castro LGBTQ Cultural District, SF Heritage, the Castro Merchants, the Art Deco Society of California, GLBT Historical Society, Friends of Harvey Milk Plaza, the Roxie Theatre, and others.
- Solicit major donor prospects for seed funding to get the theater up and running with staffing, operations, and programming.
- Begin public programming
  - Programming will include film festivals, drag shows, sing-alongs, and feature the “Best of the Castro” programming from throughout the years. A special effort will be made to entice all of the San Francisco-based film festivals to present at the Castro. All existing APE contracts would be honored.
  - The theater will be open every day, if possible, with priority given to Friday and weekend screenings, with 7 to 21 screenings or events weekly.
- Celebrate The Castro Theatre’s success as a community-driven arts and culture hub with a neighborhood block party, free screenings, and luminary guests & speakers.
- Most important: because the Conservancy is not in business to make money, but to serve the community – our principal goal, and the measure of our success, will be to enrich the lives of as many people as we are able to reach through community-based programming and cinema.

The Conservancy will begin showing films virtually as soon as we gain control of the theater, hiring the required staff and making only the most urgent repairs to the building (stop the water leaks to the basement, improve the amplified and movie sound, improve fire safety — smoke alarm system, smoke exhaust, repair fire escapes and landings—and restore the famous “blade” sign. We will also repair the HVAC equipment (if this can be done with the existing system; otherwise, the HVAC upgrade may wait for the full renovation in years 2 and 3).

Theater usage
Once the theater reopens, there will be something happening in it every day and/or evening of the year. A summary of likely usage (based partially on the theatre’s usage during the 2019 year) would be:

<table>
<thead>
<tr>
<th>Event Type</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repertory &amp; other films presented by the CTC*</td>
<td>200</td>
</tr>
<tr>
<td>Film Festivals</td>
<td>52</td>
</tr>
<tr>
<td>LGBTQ-related programming (does not include drag shows or sing-alongs)</td>
<td>24</td>
</tr>
<tr>
<td>Rentals - film presenters, Oasis drag shows, Gay Men's Chorus, private events</td>
<td>20</td>
</tr>
<tr>
<td>Live comedy</td>
<td>12</td>
</tr>
<tr>
<td>Popular &amp; rock concerts</td>
<td>12</td>
</tr>
<tr>
<td>Film Sing-Alongs</td>
<td>10</td>
</tr>
<tr>
<td>Lesbians Who Tech and other Conventions</td>
<td>10</td>
</tr>
<tr>
<td>Sketchfest</td>
<td>9</td>
</tr>
<tr>
<td>Met Opera Simulcasts</td>
<td>6</td>
</tr>
<tr>
<td>Peaches Christ</td>
<td>5</td>
</tr>
<tr>
<td>2 Town Halls or public discussions; 3 Christmas Shows</td>
<td>5</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>365</strong></td>
</tr>
</tbody>
</table>

*For the 200 days of films presented by the Conservancy, films will run multiple days, starting on Friday whenever possible. During weeks with films only, we will aim for at least 21 shows per week.

**Staffing**
These positions will be filled during Year 1 of CTC operation of the Castro:

**Executive Director** (initially Peter Pastreich, to be replaced in 6 months or less) oversees all elements of the nonprofit organization, including artistic, operations, development, marketing, public relations, human resources, and finance. Responsible for the overall health of the organization, working closely with the Board of Directors. During Year 1 the Executive Director will meet regularly with potential major donors in what will be the preliminary, preparatory part of the campaign, consisting mainly of cultivation, rather than solicitation. Also works closely with the Board officers, the Development Director, and Chris Hest in recruiting new board members. All staff members will report to the Executive Director. ($150,000 - $200,000)

**Artistic and Programming Director** books films, deals with film festivals, concert promoters, and arts organizations, booking agents, film and television producers,
educational groups, the business community, and all potential renters. Oversees the programming calendar, distributor relationships, programs first run and repertory film series, and works closely with community partners. Responsible for the theater being continuously engaged, at maximum income compatible with maximum community service. ($80,000 - $120,000)

**Director of Theater Operations & Finance** manages the facility is responsible for all activity in and around the theater – ushers, concessions, projectionists, building upkeep, box office, and parking. Ensures that the theater is clean, safe, and well-maintained; serves as chief financial officer, including bookkeeping, processing payroll, ordering concessions and supplies, and working closely with independent contractors, vendors, and maintenance providers.

Also responsible for rentals, including film festivals and four wall theater rentals, working with rental partners to coordinate events. Responsible for ensuring that the theater runs smoothly and efficiently, and that it provides a high-quality experience for its customers and rental partners. ($60,000- $80,000)

**Development and Communications Director** will create and implement strategies to engage audiences, raise funds, and increase awareness of the theater's mission and programming. This role involves developing and executing fundraising campaigns, cultivating relationships with donors and sponsors, and managing grants and other fundraising opportunities. Responsible for launching a membership program to engage and retain supporters of the theater. Also responsible for cultivating relationships with donors and potential donors, including individuals, foundations, and corporate sponsors.

Works closely with the Artistic Director to ensure that fundraising and communications strategies are aligned with the theater's artistic vision and programming while building the theater's reputation in the community. ($120,000-$150,000)

**Marketing and Public Relations Director** will be responsible for advertising (including the marquee and poster boxes), press relations, social media and the website. Will also be responsible for marketing and communications, including managing the theater's social media presence and website. ($60,000- $80,000)

- In addition, we will hire a projectionist (we assume our only IATSE Local 16 employee), and front of house, concessions, and box office staff.
- In Year 2 a contract Human Resources consultant will be engaged.

**Other plan details**
Memberships: Using the existing Conservancy mailing list and our website, as well as in-theater promotion, we will launch a membership campaign as soon as the Conservancy announces its first film programming. There will be various membership levels (possibly $50, $150, $250, $500, and $1,500), with more benefits (discounted and complimentary film tickets, discounts on concessions, invitations to events, member previews, etc.) to higher level members.

Film Festivals: An immediate effort will be made to bring all San Francisco film festivals to the Castro for at least part of their presentation, and to keep their costs at the Castro reasonable and affordable.

Support of local merchants: will be a priority, selling their products at our concession stand, creating dinner partnerships, and providing free pre-show screen advertising.

The LGBTQ+ community: will continue to be central to the life of the Castro Theatre, as the Castro Theatre has been central to their lives. We will develop and maintain authentic and reciprocal relationships with their organizations and memberships, and remain sensitive to their programming priorities. The tradition of presenting the documentary “The Times of Harvey Milk” on May 22 will continue.

Organ recitals: will be standard before all films, unless the presenter requests its omission.

Rentals: There will be a three-tier fee structure for rental of the theater: commercial/corporate, mid-size nonprofit/community partner, and small nonprofit/low income/emerging artist, with varying basic rental charges ($7,500, $6,000, and $4,500 in Years 1 and 2).

Ticket prices: For Conservancy-presented films, we assume an average ticket price of $15. Prices will be lower for seniors and students. Our goal in Year 1 is an average attendance of 400 patrons per film showing. We are committed to keeping ticket and concession prices affordable, and in line with, or slightly less expensive than, other Bay Area theaters. We will not attempt to regulate the prices charged by renters of the theater.

Concessions: We assume net concession income equal to approximately 25% of box office income; closer to 40% of box office income if we obtain the right to sell beer, wine, and spirits.

Annual contributions: will represent a significant portion of our annual operating budget, and will be stimulated by a strong membership program, an active volunteer organization, a corporate sponsorship program, and an appealing schedule of member benefits. Many cinema nonprofit organizations across the country have successfully utilized this model.
Year 1 Capital improvements will be those that do not require closing the theater, and that are relatively inexpensive. Improvements affecting patron health and safety will be the priority in Year 1, including an assistive listening system, closed captioning devices, and ADA seating, at least on the orchestra floor. We plan to engage an acoustician and to install a Dolby sound system, to assure that the highest quality sound accompanies every film. We will also create more spaces on the orchestra floor for wheelchair patrons, repair the HVAC system (if it can be repaired), fix the sources of basement flooding, improve fire safety (egress landings and stairs, fire alarm system, and smoke exhaust), upgrade the concession stand, equipping it for the service of alcoholic beverages, create a temporary office for administrative staff, and repair the “blade” Castro sign. If a way can be found to make the stage and the projection booth wheelchair-accessible, that will also be done during year 1.
Engage architect and engineers, with preliminary architectural and engineering plans completed in 6 months or less, including estimated costs for that work. Apply for whatever City permits are required to proceed with construction. Prepare a capital campaign case statement and approach 3 to 6 potential major donors for lead gifts. Make capital improvements not requiring the closing of the theater for more than a few days.

**Architect and Engineering:** A set of preliminary plans, covering all aspects of the building, with notes and recommendations from the appropriate engineers, must be ready for preliminary bids from contractors by the end of the fourth month of the second year. Estimated cost of $380,000 will be paid from the capital campaign.

**Preparation of the case statement, and setting the goal for a capital campaign:** This will be the responsibility of Chris Hest, who has served as Development Director of an array of nonprofit organizations and has designed and staffed arts organization capital campaigns for 40 years. Halfway through year 2 we will enter the quiet phase of the capital fund campaign.
YEAR 3

Launch the public phase of the capital campaign and complete major gift solicitations.

Make all remaining capital improvements, including those that require that the theater be closed (possibly for the entire year), or that are more easily or inexpensively done with the theater closed – restoration of the ceiling and the side wall murals, enlargement of the stage and the organ lift to accommodate the larger organ console, and ADA improvements.

In Year 3 there will be:

- Continued commitment to listening to and engaging stakeholders, patrons, members, staff, partners and local businesses
- Increase the use of the theater during daytime hours, with school field trips / educational screenings, corporate events & conferences, community-driven events, filming location, live shows, etc.
- Deepen community outreach and engagement by refining the theater’s brand identity and amplifying the organization’s mission and impact, locally and across the national arts and cinema landscapes
- Grow membership and corporate sponsorship program revenue by 20%
- Increase grants and foundation giving by 15%
- Explore opportunities to diversify revenue & increase live entertainment programming by 15% over year two
- Remain open to shifting community needs and changing exhibition strategies
- Produce Annual Impact Report
**Program definitions**

The CTC will carry out our mission through independently curated film programming, film festival partnerships, theater rentals, and live performances.

1. **First Run Film Series**
   - First run film series involve screening new and recent films that are typically not shown at mainstream multiplex theaters. First run films are new releases in every style and genre from documentaries to foreign films, independent narrative films and genre titles from contemporary filmmakers.
   - Many films in this series will be the premier screening in the Bay Area and will prioritize work of local filmmakers whenever possible.
   - First run film series features conversations with directors, actors, and other creative participants in the filmmaking process.
   - First run film series typically involve screening a series of films over a set period of time, on multiple days and times, before the films are widely released to the public or available on streaming services.
   - The films in a first run film series are selected by the cinema's programming team, who curate the lineup based on their knowledge of current trends in independent cinema and the tastes of their local audience.
   - First run film series provide an opportunity for the cinema to attract audiences interested in new and unique cinematic experiences, while also supporting emerging filmmakers and independent studios.
   - First run film series are a critical component of programming, allowing the theater to showcase new and exciting voices in independent cinema and provide a platform for innovative and thought-provoking films.
   - Projected to comprise up to 35% of public programming.

2. **Repertory Film Series**
   - Repertory programming includes all works from the canon of filmmaking that are not new releases.
   - Works include the full spectrum of classic films, foreign films and cult films.
   - Repertory programming is primarily done by the cinema’s programming team, in collaboration with independent programmers with a programmatic framework including, but not limited to, filmmaker retrospectives, style explorations, or actor retrospectives.
   - Many repertory titles will be shown in their original format, screened on the theater’s 35mm and 70mm projectors.
• A state-of-the-art DCP projector will show many restored films that are no longer available on film, as well as new releases.
• Projected to comprise up to 30% of public programming.

3. LGBTQ+ Film Series
• Commitment to a year-round programming initiative to highlight LGBTQIA+ voices in cinema.
• Programmed in partnership with key community stakeholders such as:
  i. Frameline Film Festival & The Transgender Film Festival
  ii. Cultural districts including the Castro Cultural District, Transgender Cultural District, and the Leather Cultural District
  iii. Local LGBTQ+ nonprofits including the GLBT History Museum, the LGBTQ Center, the Queer Women of Color Media Arts Project, TransThrive, and more
• Commitment to showcasing movies that reflect the full spectrum of LGBTQ+ identities, both in our San Francisco community and the wider world, through a mix of new and mainstream releases, classic repertory, and the avant-garde fringe.
• Projected to comprise at least 10-15% of public programming.

4. Film Festival Partnerships
• Film festival rental partnerships involve a collaboration between a movie theater and a film festival organization to host a series of film screenings.
• The partnership typically involves renting the theater space for a set period of time, such as a weekend or a week, during which the film festival can screen a selection of films to the public.
• Established Festival partners include Frameline, SFFILM, CAAM, Berlin & Beyond, Noir City, The Silent Film Festival, Arab Film Festival, and more.
• Hosting newly created and emerging festivals.
• A commitment to offer our venues at affordable rates while enhancing our level of service and partnership.
• The rental fee for the theater space may be negotiated as part of the partnership agreement, and may include discounts or other incentives based on size and duration of the rental.
• In addition to the rental fee, the theater and the film festival may work together to promote the event, sharing marketing materials and coordinating social media and other outreach efforts.
• Film festival rental partnerships can be a win-win for both the theater and the festival organization, as they allow the theater to showcase a range of films to a diverse audience, while providing the festival with a venue and promotional support.
• Depending on the agreement, the film festival organization may be responsible for staffing and other logistics during the event, such as ticket sales and concessions.
• The partnership may provide opportunities for additional programming, such as Q&A sessions with filmmakers, panel discussions, or special events tied to the films being screened.
• Overall, film festival rental partnerships are a great way to build community engagement and raise awareness of both the theater and the festival organization.
• Projected to comprise up to 15% of programming.

5. Four-Wall Theater Rentals
• Four wall theater rentals involve renting out an entire movie theater for a specific event or screening.
• The term "four wall" refers to the fact that the rental includes all four walls of the theater space, meaning the renter has exclusive use of the entire venue.
• This type of rental is popular for events like film premieres, private screenings, corporate presentations, parties, weddings and memorials.
• Renters typically have control over the content shown on the screen and can choose from a wide variety of films and other digital media.
• The rental fee for a four wall varies depending on factors such as the day of the week and length of time needed and the complexity of the event.
• In addition to the rental fee, there may be additional charges for staffing, equipment rental, and other services depending on the specific venue and the needs of the renter.
• Four wall theater rentals can be a cost-effective option for event planners, as they allow for greater control over the experience and can be tailored to specific audiences.
• Additional amenities could be offered like catering (from a local business,) bar service, and event planning services to help ensure a successful event.
• Projected to comprise up to 15% of programming

6. Live Entertainment
• Live events are an excellent way for the theater to diversify programming and reach new audiences. Here are some examples of live entertainment that have happened throughout the years at the Castro Theatre in San Francisco:
i. Sing-alongs: The Castro Theatre is famous for its sing-alongs, which are interactive screenings of popular musicals like "The Sound of Music," "Grease," and "Mary Poppins." During these events, the audience is encouraged to sing along with the movie and interact with props and costumes provided by the theater. Lyrics are generally shown on the screen.

ii. Comedy shows: The Castro Theatre has hosted a variety of comedy shows over the years, including performances by famous comedians like Sarah Sherman, Margaret Cho, and the Drag Queens of Comedy.

iii. Drag shows: The Castro Theatre has also hosted a variety of drag shows over the years, including performances by famous drag queens like Peaches Christ, RuPaul, Lady Bunny, and Coco Peru.

iv. Special events: The Castro Theatre has hosted a variety of other special events over the years, including live performances by musical groups like The Magnetic Fields and Belle and Sebastian, as well as screenings of classic films with live musical accompaniment.

- Reestablishing live events from the theaters past while exploring new live event opportunities: podcast taping, filmmaker pitches, author talks, VR experiences, and evolving ways to engage audiences with emerging art and technology.
- Ability to charge more for live entertainment.
- Projected to comprise up to 15% of programming.

Suggested reading about a nonprofit art house movie palace, the Avalon, with similarities to the Castro: [https://wapo.st/3GxrGaH](https://wapo.st/3GxrGaH)