



Feasibility Study

San Damiano Project

Prepared for

City of Monona

July 2020

Final Report

Respectfully Submitted by:

David Allen,
Development for Conservation LLC

I. Introduction

San Damiano is an undeveloped, 10-acre piece of land at the north end of Monona just south of, and across Monona Drive from, the Lake Edge Shopping Center. Almost everyone in Monona and even in the greater Madison area has driven by it countless times and enjoyed its peaceful beauty.

The property was donated to the St. Norbert Abbey in 1929 as a spiritual retreat. When the Abbey no longer needed the property, and until about three years ago, the manor house was used as a retreat center for Capuchin friars. Now that the property is no longer being used by anyone, the Abbey is facing paying property taxes in Monona based on a recent assessment of \$3.8 million.

For this and likely several other reasons, the St. Norbert Abbey is now interested in selling the property. San Damiano will certainly draw interest from those who would develop it, given its nearly 1,000 feet of Lake Monona shoreline. There are also many who would see that as a significant loss for the community.

To help explore options for acquiring the property from the Norbertines and potentially protect most or all of the property, the City of Monona retained David Allen and Development for Conservation to test the feasibility of raising \$12,000,000 privately to protect San Damiano as a public asset.

The purpose of the study was to:

- Test the feasibility of raising \$12 million or recommend a maximum amount that would be feasible to raise privately toward purchasing the property outright, securing and updating the manor house, and managing a successful fundraising campaign;
- Help refine messaging information that might be used during cultivation and solicitation activities; and
- Broadly recommend strategic approaches for the implementation of a fundraising campaign including leadership requirements, campaign procedures, timing and duration, staff and possibly professional assistance requirements, and estimated costs.

Prior to conducting study interviews, Mr. Allen met with Mayor Mary O'Connor, Alder Nancy Moore, (former) Alder Andrew Kitslaar, and City Administrator Bryan Gadow to review planning assumptions, develop financial information and projections, identify potential interviewees, and help prepare written materials for use in the study.

The materials used for the interviews included:

- A one-page fact sheet with details about the property and likely sale parameters;

- A gift range table for a \$12 million capital campaign without assumptions for public money;
- An aerial view of the property printed from Google Maps; and
- An historic photograph of the manor house.

Confidential interviews were conducted with 14 potential donors between May 4 and May 20 with a great deal of enthusiasm for protecting the property and a great deal of skepticism about whether it could be done without some level of public support. A draft report was prepared and discussed at that point, with a conclusion that continuing to interview potential donors using a \$6 million goal would be desirable. Confidential interviews were conducted with an additional 7 potential donors. This report includes information from both phases of the work.

With the exception of two interviews conducted at the San Damiano property, all interviews were conducted by telephone or ZOOM with materials either being mailed in advance or displayed on the screen. The interviewees were asked to comment on several aspects of the project, including:

- The perceived importance of protecting the entire property, as opposed to protecting just a part of it;
- Aspects of a vision that might help attract high six- and seven-figure gifts;
- Suggestions for alternative approaches to the proposed gift table;
- Suggestions for campaign leadership;
- The interviewee's willingness to support the campaign objectives;
- The interviewee's willingness to help work on a campaign; and
- A numerical opinion of the likelihood of success using a scale of 0-10.

II. Findings

To interpret the potential for successfully completing a major fundraising campaign for San Damiano, Development for Conservation typically examines four essential questions:

- Does the organization responsible for the campaign enjoy the confidence of community, business, and philanthropic interests upon which success will be dependent?
- Does the case for support justify the projected need for \$12,000,000 in private donations?
- Can an adequate constituency of potential contributors be identified?

- Is there dedicated and capable volunteer leadership available who can carry the campaign?

The results of the confidential interviews have been analyzed and organized in relation to these questions. The following findings, conclusions, and recommendations reflect both quantitative responses and a “weighing” of the responses where appropriate.

Does the organization responsible for the campaign enjoy the confidence of community, business, and philanthropic interests upon which success will be dependent?

One of two significant challenges visualizing a successful campaign is that the organization responsible for it is not obvious and may not yet exist. Such an organization therefore has no track record of success, no existing internal infrastructure, and no loyal donor base.

It is theoretically possible for such an organization to be created – one whose Board leadership is strategically selected precisely because they enjoy the kind of community, business, and philanthropic credibility necessary for success.

No one interviewed supported the idea that the City of Monona should run a campaign, and none of the organizations most likely to be supporting partners¹ in the project have experience running a campaign of this magnitude. The single exception might be Olbrich Gardens. Olbrich’s current \$6 million campaign has raised \$5.3 million to date after five years. A feasibility study conducted for that campaign in 2011 suggested a private goal of \$3 million.

The strongest suggestion that came from the early interviews is that a coalition nonprofit be formed with leaders of several conservation organizations who would then collectively take responsibility for a campaign. Any such campaign and any such coalition would require a great deal of time to be successful.

Several of those interviewed had significant experience raising capital funds in Dane County. They pointed out that among the significant negatives was prospect of fundraising to retire debt. For that reason, among others, a majority of those interviewed supported the idea that the City (or County) should buy the property now to protect its future, and then figure out how to recover the money later. (If the ultimate ownership were to be a Friends of San Damiano group, the fundraising could be framed as the Friends buying it from the City and not necessarily to retire debt.)

¹ The Nature Conservancy certainly has experience with campaigns of this magnitude. This project is unlikely to meet their mission interest, and they were not interviewed for this study.

Several supported the idea of putting a funding question on the ballot, expressing both a belief that such a measure would pass easily in Monona and an opinion that doing so would be far easier than mounting a significant capital campaign to raise the money privately. A part of the reasoning was that it would be difficult to raise that amount of private money from Monona donors and difficult to attract money to the project from elsewhere in Dane County.

Does the case for support justify the projected need for \$12,000,000 in private donations?

Virtually every interviewee said that protecting the property in its current state more than justified the projected costs. Several compared it to the City of Madison's acquisition of Turville Park across the lake along John Nolen Drive and pointed out that no-one complains today about what the City paid for it.² Interviewees stated that "*it would be criminal to develop it,*" or that combined with the potential loss of the golf course, Monona stands to lose two places that contribute to its quality of life. The strongest statement came in an email from Chris Homburg, quoted here with his permission:

My opinion is quite strong on this one. We need to find a way to preserve it if at all possible. And hopefully the entire property without private development. I would call this a once-in-a-lifetime opportunity, but it's much more than that. Woodland Park was a once-in-a-generation opportunity and I'm glad that as a City we preserved it. This is a much more critical piece. The opportunity for public access to the lake and the preservation of the views is as large of an opportunity as I can see us ever having. For generations! This public space would be cherished for generations to come much as Winnequah Park is now. Some very forward-thinking people made a great decision to preserve that large of a public space in our community a long time ago. I hope the same can be said about us generations from now.

The most enthusiastic support however, including the above, related to the City directly acquiring the property and not necessarily raising the money privately.

A second significant challenge visualizing a successful private campaign is that only a few people feel ownership of the property now. Significantly, about half of those contacted either refused to be interviewed or ignored multiple invitations. In other words, those predisposed to be supportive of the intrinsic value of land conservation may not represent a majority, at least in Monona, and the potential loss of that which was never owned may not be felt acutely enough and by enough potential donors to float a capital campaign.

² The comparison is perhaps a little unfair, as the Turville Park was acquired under threat of eminent domain and was initially considered as an alternative site to what is now Monona Terrace.

Those with significant experience raising money privately were unanimous in saying that attracting the projected lead gifts (four at \$1 million and more) would be dependent on a well-articulated unifying vision for how the property would be used. In other words, the intrinsic value of protecting San Damiano as a public park would not necessarily be felt emotionally enough to secure seven-figure lead gifts.

One of the interview questions compared the possibility of securing 4-5 gifts of \$1 million or more to the possibility of securing 40-50 gifts of \$100 thousand or more. Those with experience raising money did not hesitate in recommending the million-dollar table, but indicated that success will be dependent on developing this compelling vision and a master plan.

Interviewees were also asked about specific possibilities, including passive recreation, special event space (for weddings and so on), a dock or pier with a canoe/kayak concession and launch point, a community garden, and an interpretive or environmental education center. There were varying degrees of opinions, as one might expect, but everyone thought that the more the property had to offer, the more potential donors might be attracted to it.

Three comments of substance emerged from the questions. First, it would be nice to have the possibility for people to access the land from the lake side, making some sort of dock or pier an attractive option. Second, a community garden would not be a specific draw – because there are better places in Monona to have community gardens and because the site would not offer enough sunlight without removing trees.

And third, creating some kind of arts space – studio or workshop space, a small performance venue or amphitheater, or even a facility for hosting visiting artists – would possibly bring in potential donors from the arts community who might not be otherwise interested. This comment was later countered by another interviewee who said that though small arts venues are sorely needed, the Madison arts community in general is having a very difficult time right now.

Can an adequate constituency of potential contributors be identified?

In a word, No. As mentioned in the above, there is no clearly identified constituency outside of the homeowners immediately adjacent to the property. The Aldo Leopold Nature Center struggled to raise \$1.5 million, and Olbrich Garden is still trying to complete its \$6 million campaign after more than five years.

To a very large extent, this finding simply validates what most already knew or suspected.

- \$12 million is unlikely to be raised from Monona residents alone.

- The largest gifts the interviewees could imagine being given locally were about \$100,000. (One such gift was offered during the interview.) Otherwise, local fundraising efforts have tended to gather \$25,000 and \$50,000 gifts at the most.
- Though existing wealth in Dane County could be and was named, there is no real sense that these donors will be motivated to help see San Damiano protected, unless and until a master plan for its ultimate use could be developed.
- As the distance from the site grows larger, the emotional connection to it rapidly grows more tenuous. The wealth communities elsewhere in Dane County do not have a built-in emotional connection to San Damiano.

Evidence gathered in the study suggests that it will be challenging to raise \$1.5 million and perhaps as much as \$2 million in pledge payments in the next three to five years. The first round of interviewees scored the chances of success for \$12 million at 4.3 out of 10. Higher levels of confidence did not emerge until the goal amount dropped to \$5 million or lower. The second round of interviews (being asked about a \$6 million campaign) were somewhat more optimistic but still considered \$5-6 million to be the outside range. Importantly four individuals scored the chances of raising \$12 million as either 8 or 9, and two more scored it a 7. Each of these six individuals were assuming that a masterplan could be developed that would touch, move, and inspire multiple, million-dollar gifts.

Is there dedicated and capable volunteer leadership available who can carry the campaign?

Assuming that the campaign will need to attract significant donors and gifts from outside Monona and that the coalition approach will be important, a campaign committee should be formed with a minority of Monona representatives. No such committee exists at this point.

Eight individuals were suggested as potential campaign committee members if we get that far. None of the individuals were vetted further, and only one was included in the Study.

III. Conclusions and Recommendations

In view of the findings above, other information gathered in the study, and Development for Conservation's experience with campaign fundraising, the following conclusions and recommendations are submitted to the City Council of Monona.

1. The people interviewed fell generally into three different groups. There were some who live nearby and whose quality of life would be directly impacted by use of the property as anything other than a monastic retreat. They tended to "feel" the intrinsic value of the

property most acutely, and their emotional response to the possibility that it would be developed catalyzed deep interest in devoting major gifts (for them) of both time and money to see it protected.

There were some for whom the prospect of protecting the property was much more of an intellectual exercise. It's the largest and one of the last remaining undeveloped parts of the lakeshore that is not protected in some way. This cohort tended to start from the premise that places like this should be protected in the public interest and that public money should be used to protect them. And they expressed more interest in working toward protecting it than in making major financial commitments themselves.

A third cohort also tended to be supportive intellectually, but didn't see San Damiano as significantly more important than any one of many other potential projects. They tended to be much more interested in how the property would be "used" if protected, and were open in general to some compromise of protection and development.

2. As a general observation, the three groups tended to be defined geographically. The father away from San Damiano someone lived, the less emotionally connected they seemed to be and the more intellectual their interest tended to be. This is relevant, because significant donations tend to come from emotional triggers more so than from intellectual ones.

Put another way, potential donors who do not live close by the property do not have the same sense of it ever having been a community asset. They may have appreciated its beauty as they were driving by, but they have never sensed that they owned it. Therefore, they do not feel like it could be taken away.

This will be a significant hurdle in raising money privately, and much work will need to be done to build enough emotional attachment to be successful. **Any campaign may need to devote 18-24 months just to bringing potential donors to the property.**

3. \$12 million is not likely to come from Monona and is not likely to come from private fundraising within a reasonable timeframe. This project will be dependent either on public money, on a significant number of very large gifts from wealthy Dane County donors, or both. Even \$6 million will be difficult in less than 5-7 years, as attracting donors to the project will neither be easy nor quickly done.

As stated previously, **the potential exists to raise \$1.5 million to \$2 million**, depending on the size of the lead gifts and especially if the campaign could be seen as leveraging other gifts and grants. This implies that **the property would need to be acquired by another entity first – essentially buying time**. The City of Monona, Dane County, a philanthropic "angel donor," or some combination could serve in this role.

The much more pressing decision, therefore, is whether the City of Monona is interested enough in controlling the property's development, including the potential for ensuring that it is not developed, to purchase San Damiano before the Norbertines put it on the market. This means either borrowing the money to purchase or putting a referendum on the ballot.

4. The problem is that once the City owns it, the perceived urgency for protecting it privately is reduced. If a Friends of San Damiano group were to be formed, it could mount a campaign for purchasing San Damiano from the City. In this regard, most interviewees offered variations on the same advice – **Develop a master plan for the property first, casting it as an asset for Lake Monona rather than the City of Monona. Then take the masterplan around to the wealth community to gauge interest.** To the extent that the process of creating such a vision and masterplan involved these same individuals, they would be more likely to support its implementation financially.

This also creates the possibility for a phased campaign – raising money for purchasing the property, for developing a master plan, for dealing with the manor house, and for programming as separate considerations. Such a phased effort would need time to evolve and may not be fully realizable in less than ten years, or more.

If the City were to buy it and then continue to own it, a campaign to raise money privately would have a very difficult time.

5. An important first consideration, therefore, will be to **determine, to the extent possible, the most desirable entity to ultimately own the property.** If such an entity is a newly-formed nonprofit – Friends of San Damiano or similar – **such a nonprofit should be formed as soon as possible** for the purpose of beginning to establish the confidence of community, business, and philanthropic interests upon which the campaign's success will be dependent.
6. Four campaign strategies emerged from the study that deserve further consideration.

First, is a women's campaign. Five of the six Alders in Monona are women, as is the Mayor. The Madison Community Foundation established the Fund for Women in 1993. One of the Fund's objectives is to "build a culture of women's philanthropy." Pleasant Frautschi, Mary Burke, Dianne Ballweg, and Elizabeth Uihlein are all significant local philanthropists with known interests in conservation (and the arts). Judith Faulkner was also mentioned.

Second is a Catholic campaign. It may be possible to develop a case statement that is as much about the Abbey at St. Norbert as about the property at San Damiano.

Third is that a portion of the property could be matched with the existing retention pond and considered for a wetlands restoration project. Such a project has the potential for attracting county, state, and perhaps even federal funding.

And fourth is that San Damiano offers an opportunity for someone to perform a “grand gesture” – a grand gift to the City in return for it being renamed.

7. There are significant negatives for a campaign that should not be ignored. Health concerns related to COVID-19 will hamper prospects of bringing potential donors out to the property. The great majority of donors upon whom success will ultimately depend are elderly, infirm, or both. Market conditions are unstable at best, and many predict another recession that may last several years. This study could not be conducted in person due to health concerns of everyone involved.

None of these are reasons per se for deciding against the project, but collectively they need to be seen for what they are – challenges to getting anything like this off the ground.

8. Any campaign, even one of only \$1.5 million, will depend on individual solicitations of 200 or more prospects, and may involve as many as 500. Such an undertaking will need an infrastructure of at least three full-time staff and a volunteer “Cabinet” of 7-10, including honorary members. The prospect of this staffing need will create an additional fundraising burden for the entity running the campaign – annual operating funds.
9. In addition to the operating funds, a campaign budget of at least \$150,000 will likely be necessary to raise \$2 million:

I regret that the information contained in the above is not more favorable to the success of a \$12 million campaign. I am grateful for the opportunity to help assess the current climate and prospects relative to fundraising.

I welcome the opportunity to be of assistance to the City if Monona decides to move forward with a process of cultivation and soliciting interest in this project.