



COUNCIL AGENDA: 06-21-05

ITEM: 5.3

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Jerry Allen

**SUBJECT:** SEE BELOW

**DATE:** May 31, 2005

Approved

*Kay Wines*

Date

*6/8/05*

**COUNCIL DISTRICT:** City-Wide

**SUBJECT: FY 2005-06 TRANSIENT OCCUPANCY TAX AND GENERAL FUND  
ARTS PROGRAM ALLOCATIONS, GRANTS AND AGREEMENTS**

## RECOMMENDATION

Approval of Arts Commission recommendation, subject to approval of the FY 2005-06 Operating Budget, to:

1. Allocate funds to the Office of Cultural Affairs for FY 2005-06 arts and cultural programs, projects, grants, and activities as detailed in Attachment A, in a total amount not to exceed \$3,001,310; and
2. Adopt a Resolution authorizing the City Manager to negotiate and execute FY 2005-06 grant agreements as follows:
  - A. Festival, Parade and Celebration Grant Agreements with 25 organizations for 33 events as detailed in Attachment B, in a total amount not to exceed \$335,716; and
  - B. Arts Grant Agreements with 55 organizations as detailed in Attachment C, in a total amount not to exceed \$2,010,594.

## BACKGROUND

Annually, the Arts Commission recommends Arts Program funding allocations to the Mayor and City Council for allocation of: 1) Transient Occupancy Tax (TOT) Funds dedicated to cultural programs, and 2) General Fund resources projected to be available for the next fiscal year.

On May 11, 2005, the Arts Commission reviewed and recommended approval of the FY 2005-06 Arts Grants and Festival, Parade and Celebration Grants that resulted from peer/community panel review; allocations for general support of the public art program; and allocations for a variety of arts education and development programs and activities.

## ANALYSIS

The Arts Commission's recommended FY 2005-06 Arts Program budget reflects an overall 3% increase in funding from FY 2004-05, the first time since 2001-02 that the Arts Program budget has not decreased. This change is due to a projected 11% increase in FY 2005-06 TOT revenues, tempered by a decrease in available General Fund support, including suspension of the Arts Venture Fund for FY 2005-06.

The Arts Program budget is based in large part on projected TOT revenues. Since the economy has not yet fully strengthened, the FY 2005-06 budget reserves 10% of projected TOT revenues to meet any midyear shortfall without requiring grant repayments or program cuts. For the second year in a row, no outside grant funding has been secured due to the diminished resources of funding agencies.

The Arts Program Budget has been developed within the parameters of: 1) reduction proposals that have been accepted by the Budget Office to meet the anticipated General Fund shortfall, and 2) Arts Commission guidance regarding program priorities in the face of reduced funding.

In spite of the funding reduction, a programmatic balance has been maintained, including grants, technical assistance, performing arts series, neighborhood arts development, public art maintenance, and arts education. Funding allocation highlights include:

- Core grant program support, in the amount of \$2,346,310, to the City's special events and arts providers, resident arts organizations, professional and regional arts institutions;
- Fourth year of a successful pilot technical assistance program - \$60,000 in Organization Development Grants;
- Implementation of a pilot program, the Neighborhood Arts Development Center at Hoover Community Center - thus bringing arts into the neighborhoods as well as providing the opportunity of a new programming space for participating arts organizations;
- Continued support of after-school arts programming, in collaboration with Parks, Recreation and Neighborhood Services;
- Second year funding of the Emerging Arts Showcase, a pilot outsourcing of the City's Performing Arts Series to a partner agency, reducing the fiscal impact to the City while maintaining service to the arts constituency; and
- Funding for Neighborhood Arts Planning, to integrate the arts into the *Strong Neighborhoods Initiative* and other community-based projects.

The Arts Commission's recommendations are detailed in:

- Attachment A – Recommended Arts Program Funding Allocations;
- Attachment B – Recommended Festival, Parade and Celebration Grants; and
- Attachment C – Recommended Arts Grants.

**OUTCOME**

The recommended arts allocations, grants and agreements will assist community based arts organizations to provide arts and cultural opportunities, activities, performances and experiences to residents and visitors; will support a wide range of outdoor special events and celebrations; will provide arts experience and education to thousands of school children through the *Arts Express* and San José After School programs; and will provide critical conservation and maintenance of the City’s public art collection.

**PUBLIC OUTREACH**

As part of the deliberative process that developed the arts programs, projects and grants described and recommended herein, the Arts Commission and its standing committees invited comment from the affected constituencies and took action in public session.

Outreach to the community regarding grant funding opportunities included published legal notices in the *San Jose Mercury News* and *Metro*, and mailed notices to current grantees and to an extensive database of San José-based non-profit cultural organizations and special event producers. Grant-writing informational workshops were conducted for potential applicants prior to filing deadlines. Grant review panel meetings were publicly noticed, and panel members included community representatives.

**COORDINATION**

This item has been coordinated with the Manager’s Budget Office and the City Attorney’s Office.

**BUDGET REFERENCE**

Fund #	Appn #	Appn Name	Total Appn	2005-2006 Proposed Budget Page	Last Budget Action
461	0096	Contractual Svc Contracts	\$2,693,220	Page X-57	
001	2603	Festival, Parade & Celebration / Official City Events	\$26,340	Page IX-10	
001	0682	Non-Personal / Equipment-Cultural Affairs	\$906,804	Page VIII-36	
139	2347	Arts and Education Week	\$5,000	Page XI-34	
139	2441	Incubation Office Project	\$5,000	Page XI-34	
		Total	\$3,636,364		

HONORABLE MAYOR AND CITY COUNCIL

May 31, 2005

Subject: FY 2005-06 Arts Program Allocations, Grants and Agreements

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CEQA

Not a project.

A handwritten signature in black ink that reads "Jerry Allen for". The signature is written in a cursive, flowing style.

JERRY ALLEN

Deputy Director, Office of Cultural Affairs

Attachments (3)

## RECOMMENDED ARTS PROGRAM FUNDING ALLOCATIONS

	Gift Trust; Gate Fees	TOT	General Fund (OCA)	General Fund (Citywide)	2005-06 TOTAL
<b>GRANTS</b>					
1 Festival, Parade & Celebration	5,976	223,400	80,000	26,340	335,716
2 Project/Program		357,430			357,430
3 Artist Organizations		125,178			125,178
4 Resident Arts Organizations		261,644			261,644
5 Professional Arts Institutions		195,765			195,765
6 Regional Arts Institutions		1,070,577			1,070,577
7 Organization Development Grant Pilot			60,000		60,000
9 TOT fund reserve		249,000			249,000
10 New Funding Framework Development			15,000		15,000
11 Panel Review/Site Visits		16,000			16,000
<i>Sub-Total</i>	5,976	2,498,994	155,000	26,340	2,686,310
<b>COMMUNITY DEVELOPMENT</b>					
12 Nbrhd Arts Development Pilot (Hoover)	5,000		25,000		30,000
13 Emerging Arts Showcase			45,000		45,000
14 Emerging Arts Showcase Assessment			8,000		8,000
15 Fundraising Support Svcs			5,000		5,000
16 Martha Gardens Facilitation Initiatives			20,000		20,000
17 Neighborhood Arts Planning / Support			15,000		15,000
<i>Sub-Total</i>	5,000	0	118,000	0	123,000
<b>ARTS EDUCATION</b>					
18 Arts Express	5,000		40,000		45,000
19 San Jose After School			12,000		12,000
20 Arts Education Prof. Dev. & Services			7,000		7,000
21 Evaluation and Planning			15,000		15,000
<i>Sub-Total</i>	5,000	0	74,000	0	79,000
<b>PUBLIC ART</b>					
22 Maintenance/Repairs			13,000		13,000
23 Conservator/Long-term care			13,000		13,000
24 Public Outreach			15,000		15,000
25 Emergency Reserve			30,000		30,000
<i>Sub-Total</i>	0	0	71,000	0	71,000
<b>SPECIAL PROJECTS/ACTIVITIES</b>					
26 Website Hosting			7,000		7,000
27 Arts Commission Activities			10,000		10,000
28 Contingency Fund / Special Activities			25,000		25,000
<i>Sub-Total</i>	0	0	42,000	0	42,000
<b>TOTAL</b>	<b>15,976</b>	<b>2,498,994</b>	<b>460,000</b>	<b>26,340</b>	<b>3,001,310</b>

## FESTIVAL, PARADE &amp; CELEBRATION GRANT PROGRAM

Grantee Event	Awarded in 2004-05	2005-06 Amt Requested	Recommended 2005-06 Grant	Notes
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*Category A*

Christmas in the Park	\$23,396	\$35,000	\$35,000	*
San Jose Jazz Festival	37,880	100,000	38,629	
American Festival for Independence	28,912	55,000	35,870	
Tapestry Arts Festival	18,983	40,000	20,546	
Downtown Ice	13,743	35,000	20,546	

*Category B*

Cinequest San Jose Film Fest	24,930	40,000	38,629	
Dancin' on the Avenue	4,689	10,000	5,518	
San Jose International Mariachi Festival	13,238	50,000	16,555	
Music in the Park	16,777	25,000	13,205	
Vietnamese Tet Festival	6,343	20,000	1,490	

*Category C*

Bark in the Park	6,619	15,000	11,037	
Pumpkins in the Park	9,980	12,500	9,933	
Nikkei Matsuri Cultural Festival	5,792	6,500	5,794	
Almaden Valley Art and Wine Festival	7,722	7,000	5,794	
Cinema San Pedro	2,206	10,000	5,794	
Music in the Other Park	6,619	15,000	5,621	
Brew Ha Ha	3,661	12,000	3,311	
Dia de Portugal	4,413	5,000	3,311	
Juneteenth Festival	3,310	10,000	3,311	
San Jose Gay Pride Parade and Festival		25,000	3,311	
San Jose Children's Faire	4,964	5,000	1,490	
SoFA Music After Dark	4,964	5,500	1,490	
Italian American Heritage Family Festa		4,500	1,490	

*Category D*

Spring in Guadalupe Gardens	5,600	7,500	7,500	*
Sunday Jazz Series	5,516	7,500	7,500	*
Luther Burbank Jamboree	2,758	3,000	3,000	*
Wildlife Festival	3,310	3,500	3,500	*
South Bay Guitar Festival	1,000	3,500	3,500	*
El Festival Floricanto Kelzalcoatl	4,689	10,000	5,603	
Five Wounds Multicultural Festival	2,206	5,000	4,967	
Dancin' Downtown		4,500	4,500	*
Berryessa Art and Wine Festival	4,689	6,500	4,967	
La Comparsa		3,000	3,000	*
<b>TOTAL:</b>		<b>\$597,000</b>	<b>\$335,716</b>	

**Notes**

\* Award capped at requested amount.

## ARTS GRANTS: PROJECT &amp; PROGRAM GRANT PROGRAM

Organization	Awarded in 2004-05	2005-06 Amt Requested	Recommended 2005-06 Grant	Notes
FS: San Jose State University Foundation	\$16,200	\$18,000	\$18,000	*
Russion Music Competition Corporation	13,968	18,000	18,000	
Steinway Society The Bay Area	13,192	18,000	18,000	
San Jose Chamber Music Society	13,968	18,000	18,000	
KTEH Foundation	13,968	18,000	18,000	
South Bay Guitar Society of San Jose	10,321	13,500	13,500	
San Jose Center for Poetry and Literature	5,704	12,550	12,550	
Associated Students of San Jose State University, Inc.	11,323	13,500	13,500	
Young Audiences of Northern California		10,000	10,000	
Santa Clara Valley Performing Arts Association	13,192	14,858	14,858	
Shri Krupa Foundation	10,500	15,000	15,000	
FS: Addison Penzak Jewish Community Center	10,500	15,000	15,000	*
Margaret Wingrove Dancers	9,800	16,000	16,000	
Dimension Performing Arts, Inc.	11,726	18,000	18,000	
Association for Viet Arts	7,350	12,000	12,000	
The Gilbert & Sullivan Society of San Jose	13,968	18,000	18,000	
Rainbow Women's Chorus	2,765	4,000	4,000	
FS: Arab American Cultural Center	5,250	10,000	10,000	*
Aztlan Academy - San Jose, Inc.	12,600	18,000	18,000	
The Winchester Orchestra of San Jose, Inc.	9,312	13,860	13,860	
San Jose Dance Theatre	10,500	18,000	16,200	
Ballet Alsaneh Art and Culture Society	2,800	4,000	3,600	
Vivace Youth Chorus of San Jose		18,000	16,200	
Visual Rhythm Dance Company		13,400	12,060	
Habib Khan Saraswati Temple		9,000	8,100	
Renegade Theatre Experiment		4,780	4,302	
sjDanceco	2,500	3,000	2,700	
<b>TOTAL</b>		<b>\$364,448</b>	<b>\$357,430</b>	

**Notes:**

\* "FS" = Fiscal Sponsor

## ARTS GRANTS: OPERATING GRANT PROGRAM

Organization	Awarded in 2004-05	2005-06 Reference Amt *	Recommended 2005-06 Grant	Notes
<b>ARTIST ORGANIZATION CATEGORY</b>				
San Jose Chamber Orchestra	13,450	14,795	19,116	
Kaisahan of San Jose Dance Company	14,330	14,573	18,829	
Works/San Jose	12,416	9,263	11,968	**
Firebird Youth Chinese Orchestra	13,968	11,385	14,711	**
San Jose Multicultural Artists Guild	13,956	15,703	20,289	
Northside Theater Council of San Jose	13,653	11,405	14,736	
Contemporary Asian Theater Scene	7,034	8,509	10,014	
Bay Area Glass Institute	6,300	3,681	4,332	**
San Jose Symphonic Choir	9,396	9,503	11,183	
	<i>Subtotal</i>	<i>\$98,817</i>	<i>\$125,178</i>	
<b>RESIDENT ARTS ORGANIZATION CATEGORY</b>				
Movimiento de Arte y Cultura Latino Americana	29,568	29,938	33,833	
San Jose Museum of Quilts and Textiles	31,909	27,480	31,055	
Teatro Vision de San Jose	33,089	29,980	33,880	
San Jose Institute of Contemporary Art	32,571	28,023	31,668	
Abhinaya Dance Company of San Jose	18,629	19,456	21,987	
Chinese Performing Artists of America, San Jose	14,587	28,655	29,608	
City Lights Performance Group	15,346	19,628	20,282	
San Jose Youth Symphony	13,968	26,815	27,707	**
Tapestry Arts San Jose, Inc.	12,600	30,605	31,624	**
	<i>Subtotal</i>	<i>\$240,580</i>	<i>\$261,644</i>	
<b>PROFESSIONAL ARTS INSTITUTION CATEGORY</b>				
San Jose Children's Musical Theater	73,381	71,497	75,239	
San Jose Jazz Society	62,239	72,488	76,282	
Cinequest, Inc.	47,790	46,492	44,244	
	<i>Subtotal</i>	<i>\$190,477</i>	<i>\$195,765</i>	
<b>REGIONAL ARTS INSTITUTION CATEGORY</b>				
San José Museum of Art Association	218,498	169,656	202,739	
San Jose Children's Discovery Museum	77,066	75,133	89,784	***
Opera San Jose, Inc.	128,798	141,929	169,605	
San Jose Repertory Theatre	200,273	202,926	213,072	
American Musical Theatre of San Jose	147,673	196,666	176,999	
San Jose Cleveland Ballet	149,441	187,714	168,943	
Mexican Heritage Corporation	60,389	96,552	49,435	***
	<i>Subtotal</i>	<i>\$1,070,576</i>	<i>\$1,070,577</i>	
<b>TOTAL</b>		<b>\$1,600,450</b>	<b>\$1,653,164</b>	

**Notes:**

\* Calculated per program guidelines; applicant does not make specific dollar request.

\*\* Competed in Project/Program Grants Program in 2004-05.

\*\*\* Competed in the Professional Arts Institution Category in 2004-05.