



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kim Walesh
Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: January 18, 2010

Approved

Date

1/27/11

COUNCIL DISTRICT: City-Wide

SUBJECT: ADOPTION OF A RESOLUTION TO ACCEPT GRANT FUNDS FOR UP TO \$85,000 FOR THE NEW PATHWAYS FOR THE ARTS NATIONAL INITIATIVE AND ADOPT THE ASSOCIATED APPROPRIATION ORDINANCE AND FUNDING SOURCES RESOLUTIONS IN THE AMOUNT OF \$85,000

RECOMMENDATION

It is recommended that the City Council:

1. Adopt a resolution to accept grant funds from various funders in the amount of \$85,000 to provide partial funding for a future agreement between the City and EmcArts to allow the City to participate in the New Pathways in the Arts National Initiative; and
2. Adopt the following Appropriation Ordinance and Funding sources resolution amendments in the General Fund for 2010-2011:
 - a. Establish an appropriation to the Office of Economic Development in the amount of \$85,000 for New Pathways in the Arts.
 - b. Increase the estimate for Other Revenue by \$85,000.

OUTCOME

Approval of the recommendations above will provide funding for the Cultural Affairs division of the Office of Economic Development (OED), to provide the New Pathways in the Arts National Initiative to the San Jose art and cultural community. This initiative is an innovation in arts management program. By focusing on innovative responses to major challenges and opportunities, this initiative aims to directly impact the future health and public value of participating arts organizations, significantly assisting San Jose organizations in enhancing their ability to realize their artistic and public service goals.

BACKGROUND

The concept of innovation was identified as one of five underlying principles in *Cultural Connection: San Jose's Cultural Vision Plan for 2011-2020*. As described in the plan, the magnitude and rapid pace of societal change makes innovation essential, particularly for nonprofit arts and cultural organizations. Innovation in this context means changes in management practice that are discontinuous from past practice, reflect an underlying shift in assumptions, and reflect an orientation of anticipating the future. Such change requires a process of creative thinking and analysis, risk and experimentation. This is best approached through a facilitated process that guides and supports change. Arts organizations that thrive in the future will be those that increase their emphasis on innovation, showing that they are adaptive in their thinking and nimble in their response to change. A recommendation of *Cultural Connection* is to explore an innovation in arts management initiative, one that has a high level of assistance and engagement.

In August 2010, the City of San Jose Office of Cultural Affairs responded to a nationwide Request for Proposals (RFP) by the recognized non profit organization EmcArts to become one of two cities to participate in the New Pathways for the Arts National Initiative, funded in part by the Doris Duke Charitable Foundation. The Office of Cultural Affairs was recently informed of its selection. It is planned that the program will launch in March 2011.

ANALYSIS

About New Pathways for the Arts

New Pathways for the Arts is a 12-month combined training and immersion program for arts organizations operating in community settings to advance and accelerate the development of innovative strategies and to enable adaptive leadership. The goals are to strengthen and focus the understanding of innovation across local arts communities through exploring specific practical insights into organizational innovation and to support innovative action.

Designed and led by EmcArts, the program features two complementary and simultaneous components:

1. A series of three Community Convenings for three-member teams for up to 20 arts organizations.

The Community Convenings feature a set of teachings on innovation to better equip arts institutions to address their challenges with new thinking for the future. Selected organizations participating in the convenings will be required to have a three-member team represent the board, management and artistic arms of the organization at each meeting.

2. An intensive Core Program for a cohort of three organizations.

The Core Program provides in-depth coaching around innovation to develop and test breakthrough strategies. This Core Program cohort, in turn, provides “real-time” case studies for Community Convening participants. Through intensive coaching and facilitation through EmcArts, the Core Program propels the incubation of new strategies, through prototyping to full launch. In addition, each of the three organizations in the Core Program will be granted \$10,000 to implement and test each strategy. Core Program participants will be selected through a streamlined RFP process open to those participating in the Community Convenings.

The two-part approach is designed to formalize a peer-to-peer learning community around innovation, while engaging at a deeper level with unique, real issues facing San Jose arts organizations. An innovation program that fosters dynamic adaptability will not only transform the San Jose cultural community, but will ignite new pathways with layers of impact - within genres, fields, and the broader arts sector. Other communities that are currently or will participate in the New Pathways for the Arts Initiative include New York, NY, St. Louis, MO and New Haven, CT.

About EmcArts

EmcArts is well recognized as the leading not-for-profit organization with expertise in research and training in the field of innovation in the arts. With over 20 years of experience, EmcArts’ innovation programs support the development and implementation of new strategies by arts organizations of all sizes. EmcArts has worked across the country with cultural organizations including the Yerba Buena Center for the Arts in San Francisco, the Japanese American National Museum in Los Angeles, the Philadelphia Orchestra, and the Oregon Shakespeare Festival. EmcArts regularly works with philanthropic foundations and arts service organizations including the James Irvine Foundation, Andrew W. Mellon Foundation, Ford Foundation, Pew Charitable Trusts, the Wallace Foundation, and the City of Chicago Office of Cultural Affairs.

Funding and Partners

The program cost is \$180,000. The selection of the City of San Jose by EmcArts comes with a grant of \$57,500 funded to EmcArts through the Doris Duke Charitable Foundation.

The remaining cost to fund the program in the amount of \$122,500 will be funded through City matching funds in the amount of \$37,500 and various grants to the City as outlined below. The OCA will allocate \$37,500 to the program available in the Transient Occupancy Tax (TOT) Fund 2010-2011 budget: \$15,000 from Technical Assistance Funds and \$22,500 from Cultural Plan Implementation Funds.

The remaining \$85,000 for this project will be funded through a consortium comprised of the following philanthropic foundations: The Packard Foundation through a \$25,000 grant; The Hewlett Foundation through a \$25,000 grant; and the Knight Foundation through a \$35,000 grant.

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Upon Council's acceptance of these grant funds, the City Manager will enter into an agreement with EmcArts for \$122,500. This amount reflects the \$180,000 cost of program, less the \$57,500 grant amount previously awarded directly to EmcArts from the Doris Duke Charitable Foundation for this program.

EVALUATION AND FOLLOW-UP

No additional City Council action is expected for these grants.

PUBLIC OUTREACH/INTEREST

The New Pathways for the Arts National Initiative was discussed and supported at the November 10, 2010 meeting of the Arts Commission.

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This initiative aligns with the 2010 Economic Strategy and its goal to develop a distinctive set of sports, arts, and entertainment offerings aligned with San Jose's diverse, growing population.

COST SUMMARY/IMPLICATIONS

The \$37,500 in TOT funds that will be used for this program is designated to support the arts and cultural sector.

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BUDGET REFERENCE

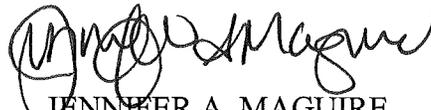
Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	Adopted Operating Budget Action (Date, Ord. No., Page)	Last Budget Action (Date, Ord. No.)
461	0096	Organizations for contractual services as may be rendered by them pursuant to contracts authorized by the City Council	\$3,546,997	\$35,000	XI-85	10/19/2010, 28829.

CEQA

Not a project.

/s/

KIM WALESH
Chief Strategist
Acting Director of Economic Development


JENNIFER A. MAGUIRE
Budget Director

I hereby certify that there will be available for appropriation in the General Fund in the fiscal year 2010-2011 monies in excess of those heretofore appropriated there from, said excess being at least \$85,000.


JENNIFER A. MAGUIRE
Budget Director

For questions please contact KERRY ADAMS HAPNER, DIRECTOR OF CULTURAL AFFAIRS, (408)793-4333