

Cultura



School of Arts & Culture at MHP **Escuela de Arte y Cultura**



School of Arts and Culture at MHP Business Plan

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I. Executive Summary

Stewarding a New Vision: After a long and thoughtful community process led by the MHP Steering Committee, a new and compelling vision for a community school of arts and culture at Mexican Heritage Plaza has been adopted and a “start up” plan has been developed to: 1) demonstrate a sustainable operating model; 2) fund, schedule and market an initial series of class offerings; 3) activate MHP spaces with community events, cultural programs and partners; and 4) recruit and mentor a permanent operator within 18 months to 3 years. The MHP Steering Committee has asked 1stACT Silicon Valley to assume the role of incubator operator.

Programming the Plaza: The educational vision for the School of Arts and Culture is based on the following *Guiding Principles for Arts Education*:

- Promote inclusiveness by serving the diverse population of the San José region regardless of economic or social status, race, ethnicity, language, gender, age or abilities
- Deliver quality programming that supports successful accomplishment of developmental milestones for youth and personal growth for adults with a focus on skill-building, self-esteem and cultural awareness
- Provide high quality arts instruction and experiences in Mexican Arts and its diaspora, including contemporary, traditional and “root” forms
- Foster an appreciation of the fundamental role of language in expressing all cultural identities and promote literacy in the particular languages of Mexican Arts
- Integrate the learning of art-making skills with an introduction to arts and cultural history, including the social and political context of the art forms
- Develop artists into leaders by promoting an awareness and understanding of the important role of artists as citizens in society
- Inspire all students to reach their fullest creative potential

The programming at the Plaza will evolve and grow over time, allowing for experimentation and lessons learned along the way. The incubator operator will rely on a team of arts education experts and practitioners to help guide the initial selection of programs and content partners, and on the cultural competency and expertise of the content providers selected to deliver quality classes and cultural programs using an RFP process. An effort to enhance community access and engagement will focus on providing community and cultural programs that complement the arts education vision, capitalize on the strengths of the building and its location, and leverage a network of community partnerships.

Building Audience and Community Access: Attracting and growing local audiences for classes, cultural programs, community events and facility rentals depends on affordable pricing of relevant offerings and aggressive “grass roots” marketing within the relatively small Eastside community. Connecting to “target markets” outside of the immediate neighborhood depends on social networking and a “network” of community relationships. Traditional marketing expenses will be minimized and pro-bono professional services will be leveraged.

Creating a Sustainable Funding Model: The incubator operator will maintain start-up flexibility by avoiding permanent staffing, long-term contracts and irreversible decisions.

Sustainability will be achieved by “growing into” a 50% earned income ratio, with the following mix of sources and uses:

Sources	Uses
<i>Earned income</i> from facility rental, sponsorships, community events, cultural offerings and programs	Community Access and Engagement <ul style="list-style-type: none"> • Program content • Administration
<i>Earned income</i> from tuition and class fees <i>plus contributed income</i> to support arts education and access for all	School of Arts and Culture <ul style="list-style-type: none"> • Content partners, faculty, and artists • Administration
<i>Contributed income</i> from City of San Jose	Facility Maintenance and Capital Replacement

The model assumes a strong effort to: 1) leverage a “mortgage free” city-owned facility; 2) maximize earned income; 3) minimize fixed costs; 4) reduce City of San Jose’s funding scope; and 5) grow a “manageable” dependency on a diversified portfolio of funders.

Securing Funders: The School of Arts and Culture at MHP has the right mix of vision, entrepreneurial spirit, community and public support and relevant arts and cultural offerings for low-income children and families to attract philanthropic support. Fundraising is all about trust, relationship building, inspiration, follow through, and asking funders to support something they care about. Silicon Valley philanthropists care about children, regardless of sector, ethnicity, geography, gender, or age and based on dozens of conversations with foundations, corporations, and individual donors, the fundraising strategies and goals outlined in this plan are testing positive with funders.

Operating the Facility: The MHP facility and its systems have been well maintained and are in very good condition. A contract Facility Management Team will be hired by the incubator operator to integrate people, place, process and technology in support of a quality built environment that enables our arts education and community engagement goals. The goals of facility management are to preserve current levels of maintenance, promote efficient use of resources, and update the Master Facility Plan each year.

Developing a Permanent Governance Structure: The incubator operator will manage a community process that explores two possible permanent governance structures: 1) identifying an existing organization with the capacity, interest and mission compatibility to steward the success of the school and the community access and engagement programs; or 2) developing a “home grown” leadership team with the capacity to become its own 501c3 in service to the vision. Both governance structures will require a strong board with the integrity, passion, skill sets, and network of resources to steward the vision. The governance structure that is ultimately chosen will require the confidence and support of the City of San Jose, program funders and the Eastside community.

II. School of Arts and Culture at MHP

The Mexican Heritage Plaza (MHP) is a unique cultural facility located in San José at the corner of Alum Rock Avenue and King Road in the heart of Mayfair, a predominantly Mexican American neighborhood since the mid-20th Century. It rises from the site of a former neighborhood grocery store that was the target of one of the first boycotts for farm workers' rights organized by César Chavez in the 1960s.

This \$35M City-owned facility, built in 1999, spans six acres and has 55,000 sq. ft. of programmable space. It is a beautiful and modern cultural complex featuring a theater, pavilion, gallery, classrooms, and an outdoor square and gardens built in the architectural style of a traditional Mexican plaza. For over a decade the Plaza has hosted concerts, plays and other performances, art exhibits, community events, corporate meetings, weddings, quinceañeras and more. It is now beginning an exciting new chapter of its history.

A New Vision: A vibrant community school of arts and culture and community gathering place. A place that nurtures our souls and brings joy, learning, and a sense of belonging to our children and to all who participate in the creation and consumption of its cultural offerings.

A New Mission: To serve our children, families and community with inclusive and innovative arts education and culturally relevant and affordable experiences. By delivering unique classes, community events and programs that embrace all cultures, while exploring the artistic traditions, cultural history, and contemporary creative expression of Mexican Arts, we intend to inspire, nurture and engage the next generation of students, leaders, artists and consumers of culture. A full-scale community school of arts and culture will grow over time, complemented by a growing menu of community and cultural activities.

Why is it important? In an increasingly complex and divided world, a gathering place that connects us to each other and to our roots builds courage, confidence and a sense of belonging that yields attachment, investment and community ownership of our collective future. Research demonstrates that engaging in the arts and creative activities is the number one driver for sparking a passion for life, learning and curiosity and has the power to change a young person's life from one of surviving to thriving. Exposing children to the arts and a variety of cultures builds future audiences, bolsters their academic achievement, enriches their learning experiences and teaches empathy, tolerance and openness to working with others in a multicultural society. It also builds 21st century skills of collaboration, critical thinking, problem solving and creativity. In early childhood, creative activities foster brain development, early literacy, cognitive and motor skills and social and emotional development. And for at-risk youth, engagement in the arts decreases violence, increases ability to express emotions appropriately and leads to fewer dropouts and greater success in school.

The Journey: After assuming operations from Mexican Heritage Corporation in 2008, the San Jose City Council directed staff to convene a community Steering Committee to study and redirect the long-term programmatic mission of the Mexican Heritage Plaza and develop a sustainable funding and governance model. A list of committee members and a detailed narrative of Phase I of the City process are in Appendix A.

Following eight public meetings and a community Town Hall meeting held between July 2009 and April 2010, the 13-member MHP Steering Committee approved a new vision for MHP to become a community school of arts and culture, which was unanimously endorsed by San José City Council in May 2010. Upon adoption, the Steering Committee began Phase II of business planning, informed by the community process, market research, practitioners, best practices, and site visits to similar institutions.

Key Milestones To Date:

2008

- City Council designs MHP Steering Committee process to redirect the long-term vision of the Plaza
- City hires Transition Manager (Elisa Echeverria) to support the process

2009

- City of San Jose and Hispanic Foundation secure funding from Hewlett, Packard and Castellano Family Foundations in support of this planning process
- MHP Steering Committee convenes eight public meetings and builds consensus for new vision of a community school of arts and culture

2010

- Steering Committee hosts Community Town Hall meeting in April 2010 to test new vision
- San Jose City Council approves the community school of arts and culture vision and directs Steering Committee to proceed with Phase II business planning
- Second floor office space converts to classrooms by Alum Rock Union Elementary School District for temporary relocation of school children with tenant improvements designed for future use of community school of arts and culture
- 1stACT Silicon Valley provides executive loan (Tamara Alvarado) to the process
- Castellano Family Foundation funds Phase II work on the funding model, prototyping of arts education offerings, and leadership and fund development
- MHP Steering Committee's Funding Model and Governance Teams holds two-day retreat with community school leadership, programming and cultural facility practitioners
- MHP Steering Committee's Prototyping Team meets in half-day retreat, creates strategy for summer day camps and focus groups

2011

- MHP Steering Committee's Prototyping Team creates Guiding Principles for School of Arts and Culture
- Steering Committee recognizes the need for an interim incubator operator (IIO) to further test the business model and "operationalize" the vision; asks 1stACT to consider this role
- City of San Jose approaches Hispanic Foundation of Silicon Valley, MACLA, Somos Mayfair, Teatro Vision, and Community School of Music and Arts to test interest in interim role. All expressed interest in the new vision and some expressed interest in a future operator role, but none were interested in an interim operator role

- Council Committee on Economic Development approves the MHP Steering Committee’s recommendation for the Interim Incubator Operator’s “job description” and directs city staff to proceed with negotiations with 1stACT. IIO description contained in Appendix B.
- MHP Steering Committee Prototyping Team releases RFP for summer pilot of Arts and Culture Day Camps
- MHP Steering Committee guides the development of the business plan

Approach to Arts Education, Community Access and Management and Operations: The following outlines the guiding principles behind: 1) the creation of a community school of arts and culture; 2) a strategy for community access and engagement; and 3) the way we intend to operate and grow during an incubation period.

Guiding Principles for Arts Education

- Promote inclusiveness by serving the diverse population of the San José region regardless of economic or social status, race, ethnicity, language, gender, age or abilities
- Deliver quality programming that supports the successful accomplishment of developmental milestones for youth and personal growth for adults with a focus on skill-building, self-esteem and cultural awareness
- Provide high quality arts instruction and experiences in Mexican Arts and its diaspora, including contemporary, traditional and “root” forms
- Foster an appreciation of the fundamental role of language in expressing all cultural identities and promote literacy in the particular languages of Mexican Arts
- Integrate the learning of art-making skills with an introduction to arts and cultural history, including the social and political context of the art forms
- Develop artists into leaders by promoting an awareness and understanding of the important role of artists as citizens in society
- Inspire all students to reach their fullest creative potential

Guiding Principles for Community Access and Engagement

- Develop partnerships with a network of organizations already serving the community as a way to leverage existing relationships and capacity while advancing and growing collective impact
- Create welcoming, inclusive and affordable community gatherings and cultural offerings that capitalize on the strengths of this unique facility and location
- Embrace grassroots participation and community feedback as critical to the success of our vision
- Incentivize “mission compatible” activation of spaces
- Build community confidence and enthusiasm over time by demonstrating progress through a consistent menu of opportunities

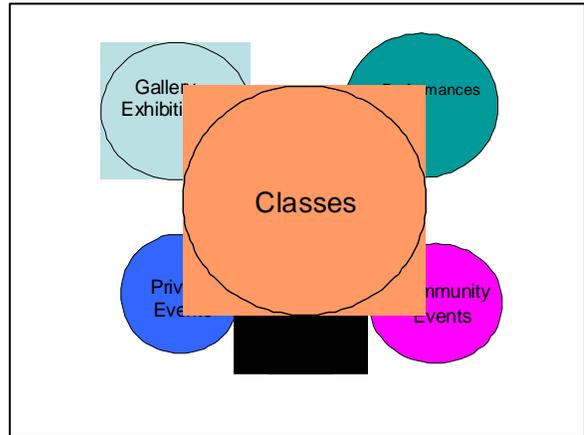
Guiding Principles for Management and Operations

- Leverage a small core team to incubate the new vision by securing and growing the right mix of strategic partners and donors, quality contract instructors, programs and vendors, and community “sweat equity”

- Prototype and test market “early programming” of class offerings, systems and staffing, before making permanent decisions or creating permanent structures
- Foster an expense and revenue structure that increasingly relies less on city support
- Replace the “challenged” brand of the past with the promise of the future, anchored in a growing reservoir of progress
- Be a responsible and responsive steward of the community’s vision and the City-owned facility

Key Objectives for Incubation Period (18-36 months)

1. Operate the Plaza as a community school of arts and culture, based on the conceptual model (*see figure*) established by the MHP Steering Committee.



2. Identify partner organizations who can provide programming at the Plaza consistent with the conceptual model and Guiding Principles.
3. Design classes, events, and other programming based on the Guiding Principles.
4. Manage a practicable, near-term operating budget.
5. Develop and grow the business model toward a sustainable balance of earned income from class fees, facility rentals, events and performances, and contributed income from foundations, corporations, individual donors and a portion of operations and maintenance support from the City of San Jose.
6. Set into motion a governance model that provides sound leadership and clear accountability to the community.
7. Identify and develop future leaders, staff and a permanent school operator, with an emphasis on Latino leadership.
8. Develop a marketing plan to attract customers and investors to the school and community activities.
9. Build an expanded program model based on the principles and lessons learned during the incubation period.
10. Create a multi-stage organizational model to successfully achieve the vision.

III. National Perspective on Community Schools of Art

History: The national movement for arts and cultural education in a “community” setting is rooted in the late 19th and early 20th century immigrant “settlement house” model of urban neighborhoods. The first community school of the arts in the nation opened in 1892 at Chicago’s Hull House to help children of new immigrants. Boston, Philadelphia and New York were also among the first American cities to see the development of centers of support for burgeoning populations of immigrant laborers. These centers included legal aid, employment, housing referrals, health care and a series of arts, cultural and educational resources. Over a century later, celebrated institutions like Third Street Music School Settlement (1894) and Henry Street Settlement (1893) in Lower Manhattan are thriving examples of the core philosophy of such community schools. Settlement Music School (1908) in Philadelphia is now the largest institution of its kind in the country.

Today there are close to 5,000 “community arts” programs nationwide representing a far wider organizational variety than the original settlement house or school model. Programs dedicated to inclusiveness, access, and quality now find their homes in a range of settings from university extension programs, to municipal parks and recreation programs to innumerable varieties of independent not-for-profit organizations dedicated to this essential work of arts and cultural education. Just last year, the National Guild of Community Schools of the Arts changed its name to better reflect and serve the full range of entities and programs nationwide and is now the National Guild for Community Arts Education. The Guild has nearly 500 members and is a great resource for the emerging School of Arts and Culture at MHP.

Current Trends: As a direct consequence of the widespread defunding of public school arts education programs beginning in the late 70s, a variety of community arts school programs have either been launched or expanded. Notable local examples of this are the Community Music Center (CMC) in the Mission District of San Francisco, and the Community School of Music and Arts (CSMA) in Mountain View. CMC was founded in 1921 and expanded to create a Richmond District Branch in 1983. CSMA was founded in 1968, expanded into providing in-school arts and music instruction in 1981 and opened its permanent center in 2004. Both sites were visited by the Prototyping Team. A summary of the Prototyping Team visits conducted in Phase 2 is contained in Appendix C.

According to the National Endowment for the Arts (NEA), fewer and fewer American children are getting access to arts education. What is especially alarming is that the overall decline is most severe for African-Americans and Hispanics. The dominant trend at both the national and local levels is to develop more programming at more community institutions to fill the expanding gap in quality arts education. Another trend is to build strategic alliances with other agencies such as human services, community planning, and those serving a special needs population. While some analysts suggest that these alliances may be linked to the financial pressures of the Great Recession, it also suggests a return to the comprehensive core values of the original settlement house/community school field.

Successful Financial Models: Given the tremendous variety of community arts education organizational models, there are many financial models within the field of community arts education. However, almost all community arts education programs are a blend of contributed and earned income. Revenue to cover expenses comes from instructional fees, event admissions, retail sales and space rentals and donations from foundations, corporations, individuals and municipal/state/federal government agencies. It is generally observed that a 50/50 blend of earned and contributed income sources is desirable with a goal of maximizing earned income through diversification of services and products and nurturing a diversified portfolio of donors so as not to rely on a single significant source. The most successful and resilient community arts school programs formulate and sustain a financial model that is a mix of earned and contributed sources of income with careful oversight of operational expenses.

Best Practices: There is no one answer to the question of best practices, however, the overwhelming trend in the field is towards continuous improvement in both instruction and organizational operations. The field of community arts education relies on professional management, faculty and artists and participates in conferences, workshops, leadership institutes and other programming to provide access to current models and practices within the field.

The aim for the school of arts and culture at MHP is to provide the highest quality arts programs and to make every effort to align instruction with best practices in the field of arts learning and arts education, including the California State Standards in the Visual and Performing Arts.

A checklist of best practices for “start up schools” is in Appendix D. And a list of references used in compiling this section is in Appendix E.

IV. Market Analysis and Competitive Environment

Market Profile: San Jose is the 10th largest city in the nation with a population of nearly one million and is expected to grow by 400,000 over the next three decades, exceeding the growth of San Francisco and Oakland combined. During this same period, the Hispanic population is projected to become the majority population.

Mexican Heritage Plaza is located in the Mayfair and Gateway East neighborhoods of East San Jose and is home to 60,000 residents and nearly 600 business establishments with over 7,000 employees and an annual payroll of nearly \$300M. Businesses cluster around healthcare, retail (predominantly automotive, beauty, and ethnic foods) construction and real estate, with a handful of technology-related businesses and little to no arts, entertainment or recreational venues. According to the 2000 Census figures, resident population is 67.4% Hispanic, 21.6% Asian, 8.3% White, 2.7% African American and 1% American Indian. This compares to a citywide demographic of 30.2% Hispanic, 47.5% White, 27.3% Asian and 3.5% Black. The median age of the Mayfair and Gateway East neighborhoods is 27.9 years compared to a citywide median of 32.6 years and 18.9% are under the age of 9, compared to a citywide median of 15.3%. Medium household income in Mayfair is \$60,012, compared with a citywide median income of \$70,243.

As reported in the "Assessment of Optimal Uses and Sustainability of the Mexican Heritage

Plaza, San Jose, California," written by Maribel Alvarez and commissioned by the City of San Jose, while the area is younger, more densely populated, poorer, and more heavily Latino than the average San Jose neighborhood, the real numbers most likely vary because of under-reporting of multiple family households, immigrants lacking documentation, and a larger-than-average informal economy. Thus, the household income and the numbers and percentages of Hispanics are likely to be understated and the local economy more robust than the numbers reveal.

Strategic Position: Research shows that San Jose's Eastside community does not believe that the public school system is meeting all of the needs of their children and that new immigrants and families of color pride themselves in being able to invest in safe educational and cultural opportunities for their children. Research also tells us that there are few options on the Eastside for families to access such opportunities. These factors, coupled with a growing Hispanic population in San Jose that demonstrates a "like purchasing" power (eg commercial movie attendance and participation in fee-for-service soccer leagues), suggests an interested and ready marketplace for affordable arts education and cultural events. Especially opportunities available in a safe facility near a major freeway (101), public transit and within walking distance of a densely populated multi-cultural community. And while historic evidence supports the community's interest in art education at MHP, a full-scale offering of options and pricing strategies has not occurred and will be tested during the incubation phase.

The Plaza's location in the heart of the Eastside, surrounded by neighborhood housing and numerous schools within a 1-mile radius, renders it a safe destination for the children of the community in need of after-school activities while parents are working. Additionally, the geographic location of the Plaza lends itself to ongoing and creative partnerships with elementary and secondary schools during the day such as mentor, work study and volunteer programs, special projects with students, rental of the theater for their theater arts and music productions, etc.

There are also very few options for community events, cultural programs, festivals and meeting places on the Eastside besides MHP, however, access has been limited because of pricing, priority and configuration of space. Historical demand for community and market-based events yielded over \$200,000 in facility rental income in 08-09 and despite the economic downturn in 09-10, rental income leveled off at \$140,000. This demand for rental space occurred during the absence of a proactive community access and facility rental program and suggests an untapped market of opportunity.

A complete listing of research and related resources used in the creation of this plan is in Appendix E.

Responses to Key Challenges Identified:

- **A Weak Economy:** The remnants of the Great Recession continue, as San Jose's unemployment rate (10.6 percent according to the *Mercury News*) and its cost of living remain high. This impacts discretionary income and the ability of families to plan for non-essential expenditures. Affordable pricing strategies oriented towards

children and families, coupled with a strong grassroots marketing campaign, will help to overcome this barrier.

- **Not Enough Hours in the Day:** As families on the Eastside and throughout San Jose and Silicon Valley navigate the high cost of living and hold multiple jobs to make ends meet, parents and caregivers are simply too tired to participate or are not available. Easy access at affordable prices and convenient hours in which people can participate is a big part of the answer to this challenge.
- **A Challenged Brand:** As the School of Arts and Culture comes to life, MHP's history of financial problems and community disappointment will need to be overcome. A rebranding effort tied to the promise of the vision and its execution will play out over time and will succeed primarily by the "doing of the vision," not the "intending to do." Patience, hard work and results anchored in the vision will create a new and sustainable brand.

V. Marketing Plans and Strategies

Approach to Marketing: Our low-cost, grassroots approach to marketing depends on word of mouth, social networking and a network of partners to connect with our target markets, as described below, and detailed in Appendix F. A practical example of the success of word-of-mouth marketing is the popularity of the Los Lupeños Baile Folklórico dance classes currently at the Plaza. In just two years, the Lupeños have grown their class offerings to serve multiple age groups four nights a week, based on a strong reputation for quality programs and affordable class fees.

A. Target Market for Arts Education at School of Arts and Culture at MHP:

- 1) **Primary:** Children and families from the immediate neighborhoods, with focus on arts education for children ages 4-16, anchored in the guiding principles
- 2) **Secondary:** Children and adults throughout San Jose/Silicon Valley interested in affordable Mexican Arts and multi-cultural, multi-disciplined art classes

Pricing Strategy: Affordable classes at break-even volumes, supported by scholarship and sponsorship, where everyone pays something and everyone has access; focus groups and class surveys from the community will inform class offerings and pricing

Key Offerings: Menu of dance, theater, music, digital and visual arts classes and related exhibitions, anchored in market demand and guiding principles—menu will be tested and refined during incubation period with content partners/providers

Key Marketing Messages for School of Arts and Culture: Children and families will have access to affordable, quality arts education and activities, at reasonable prices, in a convenient, safe, and beautiful environment that unleashes creativity and produces an

emotional and soulful connection to your community and its roots. Families will see their children's skill-building, artistic expression and appreciation for the arts grow over time.

B. Target Market for Community Access and Engagement

- 1) **Primary:** Mission compatible arts, community and non-profit organizations connected directly to the Eastside community
- 2) **Secondary:** Arts, community and non-profit organizations throughout the South Bay area with offerings that are in service to the mission and vision

Flexible Pricing Strategy: Prices will reflect direct expenses plus small variable contribution to "overhead" pricing for the activation of public participation at the Plaza, in partnership with the operator. Incubator operator will provide limited free access for Neighborhood Action Coalition meetings.

Key Offerings: Community-based festivals and cultural events in the Theater, Plaza, Pavilion, Gardens and community meeting spaces in conference rooms, classrooms and Pavilion

Key Marketing Message: An inviting and affordable venue is available for your special community event, cultural festival or meeting.

C. Target Market for Market-Based Facility Usage

- 1) **Primary:** Event planners and producers serving clients with market-rate capacity whose demand is not in direct opposition to or competition with prime time mission-based usage
- 2) **Secondary:** Individuals with market-rate capacity who are not in direct opposition to or competition with prime time mission-based usage

Key Offerings: Rental of the Theater, Pavilion, Plaza, Gardens and conference rooms

Pricing Strategy for Market-Based Facility Usage: "What the market will bear"

Key Marketing Message: A unique space in a beautiful facility with easy access and parking is available for your special event.

D. Marketing Partners: The incubator operator plans to enroll a "network of networks" in our marketing efforts, including:

- Neighborhood Action Coalitions
 - Plata Arroyo
 - Mayfair
 - Gateway East
- Alum Rock Union Elementary School District

- Businesses
 - Story Road Business Association
 - Alum Rock Business Corridor
- Somos Mayfair
- Local universities such as National Hispanic University, San Jose State, community colleges
- Arts Council/Artsopolis
- City of San Jose
- MALI Leadership Network
- Content Partners

E. Content Partners: The incubator operator intends to contract with a network of quality arts organizations and artists from the bay area who have the capacity to serve our target populations with quality content. Examples include but are not limited to:

- Latino Arts and Cultural Arts Partners such as Teatro Vision, MHC/Los Lupeños, SJMAG, MACLA
- Arts organizations whose core mission is serving children
 - Community School of Music and Arts in Mountain View
 - Children’s Musical Theater
 - Children’s Discovery Museum
- Arts organizations with arts education programs for children and a full array of content for adults
- Individual artists with a full array of talent and content for children and adults
- Universities and local school districts

VI. Fundraising Plan

Context: In a region filled with abundance, Silicon Valley is one of the most difficult fundraising climates in the nation and most of our philanthropic investment leaves the region. This stems from our:

- Culture of churn (people and companies continuously turn over), anchored in the global phenomenon called Silicon Valley
- Breadth of our diversity, which makes a shared rallying point difficult
- Relatively young age as a community, and the speed at which we grew
- Suburban development pattern and a “408/650 area code” divide
- Propensity for global philanthropy, global markets and global systems change
- Valley of immigrants connected to “some place” else

Silicon Valley philanthropy funds vision, leadership, relevancy, and capacity for execution, and responds poorly to obligation, entitlement and expectation. The good news is that our plan for a community school of arts and culture meets the Valley’s criteria for investment. And the one thing that everyone in Silicon Valley cares about regardless of sector, ethnicity, geography, gender, or age is our children. Informed by dozens of conversations with corporations,

foundations and individual donors, we believe that the School of Arts and Culture at MHP has the right mix of relevant arts and cultural offerings, community support, entrepreneurial spirit, and a mortgage-free facility serving low-income children and families to attract philanthropic support.

For the past two and a half years, 1stACT Silicon Valley has been developing a region-wide children's creativity initiative in partnership with art organizations and the County of Santa Clara's Office of Education. Our vision is to engage children in the arts, expose children to the arts and exhibit children's creations through an emerging Children's Creativity Network. The goal of the Network is to leverage the collective and diverse resources of Silicon Valley to bolster the cultural literacy and creativity of our children. The new vision for the Plaza fits perfectly into this emerging initiative and can and will be leveraged for fundraising opportunities and content partnerships.

Approach to Fundraising: Fundraising is all about trust, relationships, inspiration and follow through, and having a vision/program worth investing in. The following strategies are relatively low-cost approaches to creating trusting and inspiring relationships with a portfolio of funders.

Key Goals/Strategies:

A. Local/Latino:

Goal: Build and grow a committed network of individual Latino and local/neighborhood donors that increases over time and unleashes a minimum of \$100k in annual contributions to help keep programs for children and families affordable. Demonstrated support from the Latino and local community is required to attract other donors.

Strategy: Create a special circle of donors called *Los Arcos* that represent the family of “strong arches” supporting a vibrant community school of arts and culture and gathering place.

Plan: Enroll a core team of volunteer leaders to begin a “chain letter” campaign of sorts to raise an initial \$25k+ from 100 founding members. This campaign has begun and the initial letter being used is in Appendix G. Staff will support this effort with a monthly communication that highlights fundraising progress, key milestones reached and programs and activities offered. A new campaign will be launched every year.

B. Individual Legacy Donors

Goal: Build the confidence of an individual or set of individuals of wealth with the capacity and propensity to make a “large one-time investment” in the future of the School of Arts and Culture at MHP.

Strategy: Leverage existing and emerging relationships of significance and make it easy for a passionate person or family of wealth to make a permanent mark on MHP through planned giving, naming opportunities or a large programmatic gift tied to an enduring outcome. Any

naming opportunities will be vetted through the City and Advisory Committee referenced in the Governance section of this plan.

Plan: Begin seeding this opportunity with a select group of funders already engaged or who are becoming engaged through a series of conversations about the Plaza’s future and their role in driving transformational change within the Eastside community.

C. Foundations

Goal: Build the confidence of local and national foundations to invest or reinvest in the new vision and secure a series of “seed funding” for programs.

Strategy: Leverage established relationships of the MHP Steering Committee, civic leaders, and 1stACT (especially the launch of the Children’s Creativity Network and ongoing Funders Forum) to attract visionary partners and seed funders for the new vision. Foundations are not interested in funding a long-term dependency, so articulation of a clear and compelling exit strategy is key to their initial support.

Plan: Secure three initial seed funders and build a pipeline of program investments from a portfolio of foundations whose funding criteria includes arts education and children’s developmental assets. Do not become dependent on any one foundation.

D. Corporate

Goal: To develop a pipeline of corporate sponsors (consumer marketing oriented) and philanthropic investors in children’s programs.

Strategy: Leverage 1stACT’s high-tech company loaned executive to identify and target an initial group of corporate investments focused on cultural literacy and creativity of our children. Knowing that it will churn over time, assume on-going recruitment and replacement program.

Plan: Recruit three corporate partnerships with three-year commitments, and backfill pipeline on an annual basis.

E. City of San Jose

Goal: Reduce our dependence on City of San Jose funding over time and settle in on a “steady state” of funding that contains City costs and increases community ROI.

Strategy: Execute the proposed funding model that carefully manages the cost side of the equation, aggressively pursues the goal of 50% earned income and hits fundraising targets.

Plan: Work with the City to maintain and leverage their asset by delivering on this plan and “grow” into a reduced steady state of support within three years.

VII. Operations and Technology Plan

Summary of Facility Assessment: An independent 3rd party provided an assessment of MHP's current facility and all of its assets and concluded that the building and its systems have been well maintained and are in very good condition. A full report is in Appendix H.

Approach to Facility Maintenance and Operations: Facility management integrates people, place, process and technology in support of a quality built environment. During the incubation phase, a contract Facility Management Team (FMT) will be hired to address daily maintenance needs and provide strategic support services. The FMT will provide custodial, grounds, and maintenance services to ensure that the Plaza facilities are clean and well maintained, inside and out. The Team will also focus on facility asset protection and will provide routine maintenance, 24/7 emergency maintenance, seasonal landscape plantings, repairing, minor remodeling, and maintenance of building structures, equipment, and fixtures. While primarily charged with ensuring functional building infrastructure, the Team will also support the planning and development of the facility infrastructure envisioned to support the overall direction of the School as it grows and changes.

The goals of the Facilities Management Team are to:

- 1) *Preserve the current high level of system operation* by performing a comprehensive facilities annual audit that creates a dynamic, preventive, and predictive maintenance plan for the Plaza facilities. These plans will take into account life cycle and routine repairs that minimize equipment downtime and maximize the equipment's useful life.
- 2) *Support sustainability projects and promote responsible and efficient use of resources* by ensuring that the current energy management systems are working and that grant opportunities to fund additional energy conservation improvements projects are researched and pursued when cost effective.
- 3) *Develop and update a Master Facility Plan (MFP)* that identifies the type, quantity and location of spaces needed to support the growth of the programming needs of the School.

Technology Plan: The School of Arts and Culture will require data and phone service. Phone service will continue to be provided by the City of San Jose. Internet connectivity and wireless options will be the responsibility of the incubator operator and will be implemented using an existing T1 line.

Remote management of the HVAC systems through an automated Building Management System will also be provided by the City of San Jose for the Theatre and Pavilion. Local management of temperature controls will be provided to the new operator in the classroom, gallery/studio and office spaces.

Microsoft Office will be used for basic office operations and a new website and supporting services will be designed for communications, marketing and management of the School of Arts and Culture and Community Access and Engagement.

Software tools will be researched and provided through contract services or purchase of new systems, depending on the outcome of the functional cost benefit analysis for:

- Automated online registration and payment processing
- Class scheduling
- Private lessons scheduling
- Detailed reporting on enrollments, finances and instructors
- Integrated automated payroll
- Donation tracking and donor relations
- Event management
- Ticketing and box office management

A theater technology assessment will also be conducted and evaluated and a plan for necessary upgrades will be developed.

VIII. Management and Organization

Role of the Incubator Operator: To “jump start” the creation of a School of Arts and Culture at MHP and Community Access and Engagement Program, build community and funder confidence by demonstrating progress, pave the way for a sustainable operating model and mentor and recruit permanent leadership and operator within 18 month to 3 year period.

Staffing Plan for Incubation Period: Currently, the City has responsibility for operations and maintenance of MHP, along with events support. There are three City employees in time-limited positions, as well as a fourth staff member responsible for managing transition activities. It is anticipated that upon approval of this business plan the City staff positions will be eliminated, and the incubator operator will hire staff based on the new staffing model outlined below. There are already-scheduled events, management of existing maintenance contracts, and completion of the move-out of ARUESD operations to be co-managed as part of this transition. Budget implications of these changes are integrated into the financial plan and budget projections.

Approach to Staffing: As highlighted in the Guiding Principles for Management and Operations, making permanent decisions or creating permanent structures will be avoided during the incubation phase. The goal is to leverage the infrastructure of the incubator operator, test and learn as much as we can and keep overhead costs as low as possible without putting the vision at risk. To that end, the proposed staffing model for the incubator operator is:

July 1, 2011

- Support from 1stACT Leadership and Infrastructure
- Director of Operations and Resource Management
- Director of Community Access and Engagement
- Contract Maintenance Team, Registrar and Event Management

- Contract Content Providers
- Encore Fellow: Systems Development and CFO role

January 2012

- Add Program Coordinator (or contract Registrar transitions to full-time Program Coordinator)
- Add Administrative Assistant

January 2013+ – TBD/dependent on experience/learning/status of long-term operator

Plan for Securing Permanent Governance Structure: There are two possible governance structures under consideration. Others may evolve out of the incubation process but are not obvious at this time. The first is finding an **existing organization** with the capacity, interest and mission compatibility to steward the long-term success and sustainability of the School of Arts and Culture and the Community Access and Engagement Program. It is highly likely that candidates for this model are a known quantity and already engaged in this process. An unknown organization from outside of Silicon Valley is not going to fall from the sky and suddenly “deliver” on the promise of our vision. The other possible model is that a **“home grown” leadership or leadership team** emerges from within the community and the incubation process and grows into a permanent governance structure with the capacity and confidence of the City of San Jose, the community and funders.

The incubator operator will begin nurturing both possibilities from the very beginning. A permanent operator will most likely emerge from within the content partner organizations engaged in the creation of the School or from engaged individual leaders that demonstrate the skills and capacity to form a new 501c3 organization capable of delivering a sustainable future, anchored in our new vision. Board leadership will emerge from community engagement in the process of individuals that demonstrate the integrity, passion, access to networks and resources, and value-added skill sets required to steward the vision.

Regardless of which option is ultimately implemented, the City of San Jose and the immediate community must accept and support the outcome or a successful transition to permanent leadership will not happen. To that end, 1stACT will create an Advisory Committee on Permanent Governance made up of 1stACT leadership, City of San Jose, funders, and MHP Steering Committee Members who will meet quarterly to evaluate progress, provide feedback and actively participate in the “courtship” of a new operator/leader. This structure and schedule will be in place upon official launch of the incubation period and a formal update to City Council will be scheduled within the first 18 months of operation. It is the intent of the incubator operator to “hand over the keys” to the new operator no later than three years from its official start.

Possible Staffing Models for Permanent Governance: Permanent staffing will depend upon the model chosen. One model leverages the leadership and infrastructure of an existing organization and the other requires the creation of that infrastructure. Both will require a commitment to carefully managing growth in expenses, aggressively pursuing earned income and developing and sustaining a diversified portfolio of funders.

IX. Financial Plan

Financial Model: A sustainable funding model for the School of Arts and Culture is built on five key elements:

- Leveraging a “mortgage free” city-owned facility to address a real need/demand for arts education and community gathering spaces
 - A demand that will attract paying customers at an affordable price
 - A need that will attract a diverse portfolio of donors
- Maximizing earned income by aggressively marketing and activating the entire facility
 - Pavilion, Gardens, Plaza, Theater, and Classrooms
- Minimizing fixed costs by maintaining a small core staff that:
 - Leverages contract talent, partnerships and professional resources for program content, event and specialized services
 - Leverages the infrastructure of an existing organization (during incubation and possibly beyond)
 - Grows a volunteer network of pro bono services and dramatically increases “sweat equity”
- Arriving at a “steady state” of City of San Jose funding that:
 - Covers a large portion of occupancy costs
 - Builds a sinking fund for major maintenance/capital replacement
- Growing a “manageable” dependency on a diversified and ever changing portfolio of funders who care about the health and well being of our local children

Goal: To “grow into” 50% earned income, with the following mix of sources and uses:

Sources	Uses
<i>Earned income</i> from facility rental, sponsorships, community events, cultural offerings and programs	Community Access and Engagement <ul style="list-style-type: none"> • Program content • Administration
<i>Earned income</i> from tuition and class fees <i>plus contributed income</i> to support arts education and access for all	School of Arts and Culture <ul style="list-style-type: none"> • Content partners, faculty, and artists • Administration
<i>Contributed income</i> from City of San Jose	Facility Maintenance and Capital Replacement

Introduction to Budget Template: The key assumptions and budget projections that follow are a “work in progress,” informed by historical data, existing city contracts, market research, a financial modeling retreat and experienced practitioners. Key assumptions are outlined below. We have attempted to lay out a 2-3 year ramp-up to a transition year with budgets for the two permanent governance scenarios described earlier in this document. Although it is very difficult to make projections for another organization, the exercise does identify some of the budget/staffing implications for each scenario. 2014A embeds the School of Arts and Culture at MHP in an existing organization and 2014B creates a new non-profit as the permanent operator.

Key Budget Assumptions:

A. Contributed Revenue

- Foundation investment is based on current commitments and a level of interest already expressed for 2011; builds 1-2 significant annual relationships with foundations each year and 2-3 smaller investments tied to the *Los Arcos* campaign. Also links to 1stACT's launch of Children's Creativity Network.
- Corporate investment is based on current interest and builds upon 2-3 corporate partners each year; links to 1stACT's launch of Children's Creativity Network.
- Public investment is based on City of San Jose expressed level of commitment and desire to move towards lower level of "steady state" support by 2014.
- Individual investment is tied to the recently launched *Los Arcos* campaign and grows annually over time.
- In-kind investment is based on securing an Encore Fellow from Civic Ventures and accessing a cadre of professional services e.g. legal, graphics, facilities from the 1stACT network.

B. Earned Revenue

- Sponsorships include corporate event sponsorships for a vast array of community events, cultural programs and arts education related activities.
- Rental/Event Income is based on an historical high of \$500,000 and low of \$150,000, with no concerted marketing effort. Income grows over time as grass roots/marketing partnerships take off, taking into consideration the 3-tiered approach to pricing. Market-based rentals subsidize community-based rentals.
- Tuition/Class Fees is based on facility capacity (five classrooms with primarily afterschool hours being considered marketable) and modest, but growing demand over time for classes priced at an average of \$12/hr.
- Interest Income is based on "Facility/Capital Fund" growing over time.

C. Key Expenses:

- **Personnel expenses** include a fraction of 1stACT's administrative infrastructure and a small, dedicated staff as outlined earlier in this report. Dedicated staff grows modestly over time and bumps up if/when a new 501c3 is selected as the permanent governance model.
- **Contracted Services** includes:
 - Occupancy-related contracts for facilities maintenance, custodial, security etc. based on current contracts and market research.
 - Program/Content Partners is based purely on estimates of partnership costs to populate our classrooms with the content/courses that will attract paying customers at affordable prices. It is understood that many of the classes will have to be subsidized to keep them affordable. This is one of the largest expenses because it is at the heart and soul of delivering on the vision.

- **Program and Event-Related Expenses** are based on the volume of earned income generated for events and the content cost of our partners. Thus, we are treating these “extra” expenditures as variable “costs of goods sold,” tied to the success of our earned income and programming strategies.

For purposes of vision, compatibility and efficiency, 1stACT has embedded the MALI (Multicultural Arts Leadership Initiative) Program in MHP. MALI is an initiative that was developed by two founders of 1stACT (Raul Lozano and Roy Hirabayashi) with Tamara Alvarado to address a void in the future pipeline of multicultural arts leadership in Silicon Valley. It develops, nurtures, activates and grows multicultural arts leaders through professional development, training, and mentorship programs that leverage Silicon Valley’s culture of networking. The mission of MALI aligns directly with the School of Arts and Culture’s intention to strengthen the multicultural arts community and prepare future audiences and leadership. The MALI network includes more than 45 “graduates” who are strong multi-cultural leaders that can be leveraged to advance the vision of the School. Funding for this program is already in place.

- **Office Administration includes:**
 - Capital Maintenance Fund that is City-funded and held as “sinking fund” to offset any future capital replacement items.
 - Utilities that are based on historical data and increase with increased activity.
 - Office Supplies that are relatively low because of the small “core team” model, a low-cost approach to operations and the leveraging of 1stACT.
 - Insurance that is a placeholder at this point in time; will be updated as real quotes are secured.
 - Office Equipment/Small Capital that is primarily focused on office computer equipment.
- **Meetings, Travel and Professional Development** expenses include annual dues for the National Guild for Community Arts Education.
- **Professional Services** assumes additional expenditures for accounting, auditing and some grant writing. We anticipate some pro bono support across all of these line items. Note that grant writing bumps up for the new 501(c)(3) because there is no longer a “mother ship” to leverage.

School of Arts and Culture at Mexican Heritage Plaza – Budget Projections

	(6 months)			Existing Non-profit	New 501(c)(3)
	2011	2012	2013	2014A	2014 B
REVENUES					
Foundations	\$100,000	\$100,000	\$175,000	\$200,000	\$320,000
Corporations	\$50,000	\$75,000	\$75,000	\$75,000	\$120,000
Public	\$300,000	\$575,000	\$525,000	\$500,000	\$500,000
Individuals	\$15,000	\$25,000	\$45,000	\$45,000	\$55,000
In-Kind	\$75,000	\$132,500	\$28,000	\$27,500	\$32,500
Total Contributed	\$540,000	\$907,500	\$848,000	\$847,500	\$1,027,500
Sponsorships	\$2,500	\$25,000	\$50,000	\$75,000	\$75,000
Rental/Event Income	\$52,500	\$250,000	\$350,000	\$375,000	\$375,000
Tuition/Class Fees	\$10,000	\$175,000	\$265,000	\$350,000	\$375,000
Interest Income	\$100	\$1,500	\$3,000	\$3,500	\$3,500
Total Earned	\$65,100	\$451,500	\$668,000	\$803,500	\$828,500
TOTAL REVENUES	\$605,100	\$1,359,000	\$1,516,000	\$1,651,000	\$1,856,000
EXPENSES					
Personnel	\$150,000	\$350,000	\$400,000	\$450,000	\$650,000
Key Contracts					
Facility Maintenance	\$50,000	\$100,000	\$110,000	\$110,000	\$110,000
Custodial	\$20,000	\$42,000	\$44,000	\$50,000	\$50,000
Other Occupancy Related	\$25,000	\$45,000	\$45,000	\$45,000	\$45,000
Program/Content Partners	\$90,000	\$315,000	\$365,000	\$415,000	\$415,000
Total Contract Expenses	\$185,000	\$502,000	\$564,000	\$620,000	\$620,000
Program and Event Expenses					
Program Related	\$45,000	\$105,000	\$120,000	\$125,000	\$125,000
Event Related	\$11,000	\$50,000	\$70,000	\$70,000	\$70,000
MALI Program	\$25,000	\$50,000	\$50,000	\$50,000	\$50,000
Total Program and Event	\$81,000	\$205,000	\$240,000	\$245,000	\$245,000
Office Administration					
Capital/Maintenance Fund	\$30,000	\$57,500	\$52,500	\$50,000	\$50,000
Utilities	\$60,000	\$150,000	\$175,000	\$185,000	\$185,000
Office Supplies	\$1,200	\$1,200	\$1,200	\$1,200	\$2,500
Insurance	\$7,500	\$15,000	\$15,000	\$15,000	\$15,000
Office Equipment/Small Capital	\$7,500	\$2,500	\$2,500	\$2,500	\$2,500
Total Office Administration	\$106,200	\$226,200	\$246,200	\$253,700	\$255,000

Communications & Publications	\$9,000	\$15,000	\$12,000	\$12,000	\$12,000
Meetings, Travel, Professional Services					
Conferences and Meetings	\$4,500	\$9,000	\$9,000	\$9,000	\$9,000
Travel	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Dues & Subscriptions	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Accounting	\$20,000	\$10,000	\$10,000	\$10,000	\$20,000
Audit	\$0.00	\$15,000	\$15,000	\$15,000	\$15,000
Legal	\$5,000	\$2,500	\$2,500	\$2,500	\$2,500
Grant Writing/Fundraising	\$1,500	\$5,000	\$5,000	\$5,000	\$15,000
Total Meetings, Travel, Services	\$36,500	\$47,000	\$47,000	\$38,000	\$67,000
TOTAL EXPENSES	\$567,700	\$1,345,200	\$1,509,200	\$1,618,700	\$1,849,000
NET PROFIT/LOSS	\$37,400	\$13,800	\$6,800	\$32,300	\$7,000

Appendices

Appendix A	List of Steering Committee members Narrative of City Process – Phase I
Appendix B	Description of Interim Incubator Operator Role
Appendix C	List of the Prototyping Team Visits Conducted in Phase II
Appendix D	Ten Steps to Starting a Community School – Summary Document
Appendix E	Reference List
Appendix F	Marketing Plan for School of Arts and Culture at MHP
Appendix G	<i>Los Arcos</i> Fundraising Letter
Appendix H	Facility Assessment by Valley Facilities Management Company

Appendix A

List of Steering Committee Members Narrative of City Process -- Phase I

In March 2008, based on two prior community meetings regarding the future of the Mexican Heritage Plaza (Plaza), the San Jose City Council provided direction on how to further develop plans for the Plaza as the Community Arts and Cultural Center envisioned by the community. This direction included:

- Transferring responsibility for the Plaza's operations and maintenance from the Mexican Heritage Corporation to City staff
- The formation of a Steering Committee to:
 - Provide guidance on vital decisions for the Plaza.
 - Help ensure that the Plaza reconnects with the community, is reflective of all stakeholders, remains transparent and accountable, and develops a business and governance model that is self-sustaining.
 - Upon completion of a business model that is self-sustaining, develop a process for establishing a permanent non-profit operator that is capable of implementing the model.

The composition of the Steering Committee is listed below:

Alcario Castellano
Maria de la Rosa
Moy Eng
Chris Esparza
Manuel Fimbres
Danny Garza
Guadalupe Gonzalez

Erin Goodwin-Guerrero
Roy Hirabayashi
Connie Martinez
Olivia Mendiola
Carlos Perez
Linda Snook

The Steering Committee members represented a broad array of stakeholder groups invested in the future of the Plaza. The Steering Committee met from July 2009 through May 2010, conducting eight public meetings that culminated in a Town Hall meeting in April to gather community input about its findings. The community was actively engaged in these meetings throughout the process, and has generally reacted positively to the recommendations presented in this memo.

The Committee's work included:

- A review of the physical characteristics of the various spaces at the Plaza
- A review of the history of programming and operations at the Plaza
- A presentation by the Redevelopment Agency about development issues in the surrounding neighborhood
- Presentations by the Plaza's Resident Arts Partners (Teatro Visión, Mexican Heritage Corporation, and San Jose Multicultural Artists' Guild) about their activities
- Information about other arts facilities and their programs
- Discussions of various operating models and their program and financial characteristics, including their ability to generate earned and contributed income
- Consideration of the region's funding environment and market

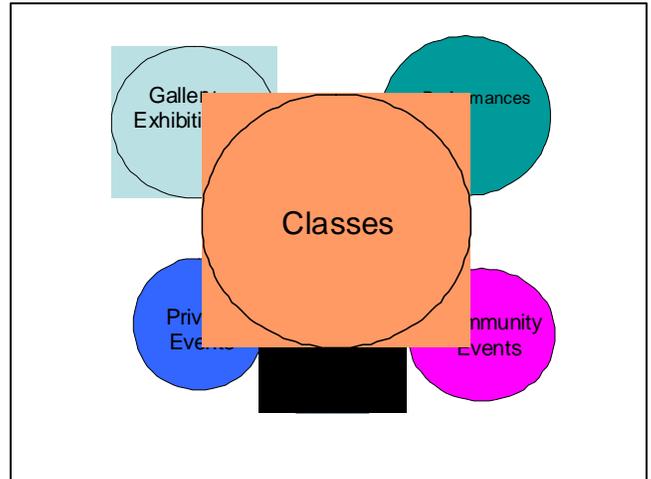
Outcomes of Phase I of Steering Committee process

As mentioned above, the Steering Committee was asked by the City Council to recommend a business and governance model that is self-sustaining. The Committee's recommendation is to develop a School of Arts & Culture at the Mexican Heritage Plaza (working title). The model envisions classes, primarily focused on children and families, as the core programming activity, as shown in the diagram below. The guiding principles for the model include engaging the community, taking a realistic view of capacity and the pace of movement toward the new model, and building relationships and partnerships. The Committee expects the conversion of programming to the new model to occur over time, with the share of

programming devoted to classes growing gradually, thus causing the share devoted to other uses to shrink at the same pace.

Steering Committee’s current perspective on operations & programming

The Committee’s vision for the way the school of arts and culture would be operated is that a Latino-led organization would be assembled over time, through the Phase II process described below. The organization would continue to work with the current Resident Arts Partners, but they would become Cultural Partners. The name change reflects the expectation that these organizations would no longer have offices at the Plaza, since those would be converted to classroom space, but that they would continue to be a part of the programming and education activities of the school.

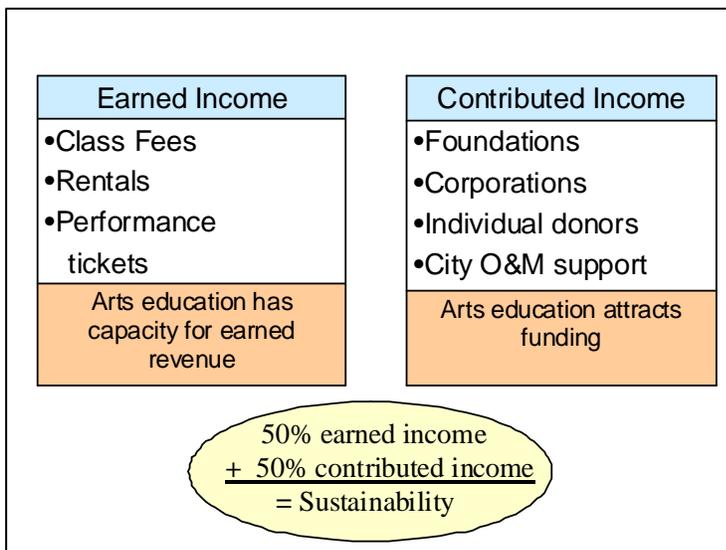


The school approach would be modeled after examples such as the Community Music Center in the Mission District of San Francisco and the Los Angeles Music & Art School in East Los Angeles, which are situated in comparable areas and serving comparable populations in their cities. The Committee also believes that the Community School of Music & Arts in Mountain View offers some useful lessons for the proposed model. There is also an opportunity to learn from other schools that are part of the 300-member National Guild for Community Arts Education.

The school approach would be modeled after examples such as the Community Music Center in the Mission District of San Francisco and the Los Angeles Music & Art School in East Los Angeles, which are situated in comparable areas and serving comparable populations in their cities. The Committee also believes that the Community School of Music & Arts in Mountain View offers some useful lessons for the proposed model. There is also an opportunity to learn from other schools that are part of the 300-member National Guild for Community Arts Education.

Steering Committee’s current perspective on financial planning

A key reason for the Steering Committee’s recommendation is that it believes the school model offers the best opportunity for the Plaza to achieve fiscal sustainability. As shown in the chart below, the Committee envisions that the funding sources for the school would be evenly divided between earned income and contributed income.



The example institutions cited above have proven track records for both earned and contributed income. Committee members with experience in fundraising have emphasized that foundation and corporate giving places a high priority on education and programs aimed at children and families, so they believe that the recommended model would receive stronger consideration for funding than a facility focused only on arts and culture without an education focus.

The Committee believes that the contributed income sources must include an ongoing City investment of between \$400,000 and \$500,000. This is based

on a number of factors. The Committee does not expect donors to look favorably on supporting basic operations and maintenance costs of a city-owned facility; donors will expect the City to have some ongoing financial interest in the success of the Plaza. On a practical level, the Committee does not expect earned revenue to be sufficient, at least in the early years, to cover the O&M costs. In addition, while the Steering Committee acknowledged the value and beauty of the Mexican Heritage Plaza facility, they confirmed prior findings that the City did not design the facility to enable low operating costs, energy efficiency, and maximum space utilization.

By comparison, the City’s annual operating agreement payments to other major cultural facilities are shown below:

- Tech Museum of Innovation \$1,300,000
- History San Jose 875,000
- San Jose Museum of Art 500,000
- Children’s Discovery Museum 300,000
- San Jose Repertory Theater 300,000

The more detailed financial analysis proposed below as part of Phase II would produce a more refined estimate of the likely City investment required over time, as well as a better understanding of the other revenue factors affecting it.

San Jose City Council expectations of Phase II work

The second element of the Steering Committee’s charge, after identifying a viable business model, was to develop a process for establishing a permanent non-profit operator that is capable of implementing the model. The Committee recommends a multi-pronged approach to that task that it describes as Phase II.

In Phase II, Steering Committee members will work with subject matter experts and community representatives to develop pro forma budgets and revenue estimates, raise funds, develop a leadership and governance structure, recruit and develop leaders, examine programming and curriculum options, and test new types of programming that are compatible with the new model.

This work would be supported by Hispanic Foundation Silicon Valley serving as the fiscal agent and 1stACT Silicon Valley providing staff support. City staff will ensure that the Phase II work is linked to ongoing operations and maintenance and programming, and to ensure that staff is appropriately informed before making further recommendations to Council.

The chart below describes the types of work that will be involved in Phase II:

Financial Modeling	Fundraising, Leadership & Board Development	Program & Curriculum Development
<p>Key Tasks Develop the business plan Create pro forma budgets Recommend level of City investment</p>	<p>Key Tasks Raise seed money Focus on developing culturally competent leadership Germinate a new operating organization</p>	<p>Key Tasks Develop mission-compatible programming Develop prototype programming to test during transition period</p>

As noted in the chart, it is expected that Phase II will include an effort to create an operating organization, rather than lead toward some sort of competitive selection. If existing organizations express interest in operating the school, a competitive process could still be used, but the Steering Committee believes that a new operating organization is the best and most likely result.

Key staff from the General Services Department and the Office of Economic Development/Cultural Affairs will work closely with the Steering Committee and subject matter experts and community representatives. During the Phase II efforts, the City would continue to operate and maintain the Plaza as it currently does, but would test and prototype new types of programming at the Plaza that would be compatible with the new model.

The table below provides information on the current and anticipated City resources and role at the Plaza, based on the Steering Committee’s recommendations:

Time Frame	City Role	Staffing	City Investment	Council Approval
2009-2010	<ul style="list-style-type: none"> ▪ Operations & maintenance ▪ Support of Steering Committee and transition work 	5 FTE's 1 FTE	\$696,000 – expenditures \$130,000 – expenditures <u>(\$150,000) – revenue</u> \$676,000 - net	Approved as part of 2009-2010 Adopted Budget
2010-2011 and 1-2 additional transition years*	<ul style="list-style-type: none"> ▪ Operations & maintenance ▪ Support of Phase II transition work 	4 FTE's 1 FTE	\$671,000 – expenditures \$130,000 – expenditures <u>(\$150,000) – revenue</u> \$651,000 - net	Reduction was approved in 2009-2010, included in 2010-2011 Proposed Budget
Post-Transition*	Oversight of contract with non-profit operator	No City staff	\$400,000 - \$500,000 payment to non-profit operator of school	Level of investment to be proposed as part of review of 2011-2012 budget

* - Any city funding commitment will be determined in the context of the annual City budget process.

The future level of City investment, as described in the above chart and in the Financial Planning section of this memo, would be determined based on the business plan and pro forma budget that are developed and within the context of the annual City budget process. The pro forma budget will project all sources of revenue for the school, which will serve as a basis for recommendations regarding the level of City investment. Any recommended City funding will be included in the annual Proposed Operating Budget for discussion with the City Council as part of the 2011-2012 budget process in May 2011. Ultimately, any long-term commitment for City funding would be determined and presented to the City Council for consideration as part of a proposed agreement with the future operator of the school.

At the May 25, 2010 Council meeting, the Mayor and Council authorized the City Manager to negotiate an agreement with the Alum Rock Union Elementary School District to convert the second floor of the Mexican Heritage Plaza into classrooms, in order for the Plaza to serve as an interim location for students from San Antonio Elementary School for one school year. The remodel of the second floor of the Plaza into three classrooms was completed in time for the first day of school on Wednesday, August 25th 2010. The five total classrooms will house 150 first grade students until next year, when they will return to San Antonio School after the completion of the District's facility expansion project. At that time, the MHP classrooms will be fully available for use in implementing the Council approved vision for the School of Arts and Culture at the Mexican Heritage Plaza.

The Plaza's Cultural Arts Partners formerly located at the Plaza; the Mexican Heritage Corporation, Teatro Visión and the San Jose Multicultural Artists Guild, were also key to the success of this transition, as they worked closely with the City to relocate into City-managed office spaces. All three organizations will continue to call the Plaza home for many of their performances and programs.

Where we are today in the process

- **Fundraising:** Thanks to funds from the Castellano Family Foundation and 1stACT Silicon Valley's in-kind contribution of executive support to the process from Tamara Alvarado, Director of Multicultural Leadership, Phase 2 of the Committee's work is underway. Fundraising for seed funds to support the future School of Arts and Culture will continue throughout Phase 2.
- **Financial Modeling:** In a retreat lead by Steering Committee members Chris Esparza and Connie Martinez, a group of practitioners will meet to develop a sustainable financial model for a future school of the arts at the Plaza. This is you!

- **Prototyping:** Committee members leading the prototyping efforts have met to begin to look at the structure for administering a scalable schedule of classes at the Plaza. A site visit earlier this month to the East Bay provided information gathering on other successful models in the Bay Area region reflective of the community around the Plaza. The prototyping team is preparing to expand their team to include four additional members demonstrating expertise in a range of artistic disciplines, arts education/curriculum experience and community involvement.

Before the end of the year, there will be a reconvening of the full Steering Committee in a public meeting format following the September activities, as well as an update to the Council Committee on Community and Economic Development. The San Jose City Council has requested that the MHP Steering Committee report back to the full Council in May 2011.

Appendix B

Description of Interim Incubator Operator Role

INTERIM INCUBATOR OPERATOR OF THE SCHOOL OF ARTS & CULTURE AT THE MEXICAN HERITAGE PLAZA

BACKGROUND

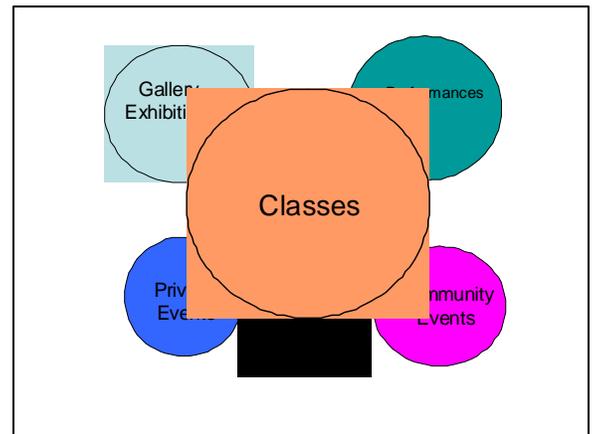
At its meeting on February 1, 2011, the Mexican Heritage Plaza Steering Committee discussed the possibility of selecting an Interim Incubator Operator (IIO) to provide a bridge, for a period of 18 months to three years, to an eventual permanent operator for the vision of creating a school of arts and culture at the Plaza. This discussion resulted in direction to City staff and the Financial Modeling Team to develop a description of the role of the IIO.

The Committee wanted to develop consensus on this role as a way to understand better how an IIO could assist in the development of a business plan, begin to “beta test” the operation of a school, and develop the permanent leadership of the school. One possible organization (1stACT Silicon Valley) was suggested as a possible candidate, but the Committee agreed that any discussion of selecting an IIO must be based on a thorough understanding of the role and the capabilities needed to be successful.

The recommended elements of that role are listed below, divided into operational and planning/incubation functions, followed by a listing of core qualities and capabilities that will be needed in the organization ultimately selected to fill the IIO role.

KEY OPERATIONAL FUNCTIONS:

- Operate the Plaza as a community school of arts and culture, based on the conceptual model (see figure) established by the Steering Committee.
- Identify partner organizations, based on the existing Cultural Arts Partner model, who can provide programming at the Plaza that is consistent with the conceptual model and the programming Guiding Principles that have been preliminarily adopted by the Steering Committee and are subject to continuing revision by the Prototyping team (see below).
- Design classes, events, and other programming based on the Guiding Principles.
- Develop and manage a practicable, near-term operating budget.
- Solicit and receive both earned and contributed income (from private sources as well as the City) during the interim operational period.



- Work in partnership with the City in its role as owner of the facility.

KEY PLANNING & INCUBATION FUNCTIONS:

- In partnership with the MHP Steering Committee, develop a sustainable business plan that includes viable operating budgets which delineate planned earned and contributed income as well as expenditures. This plan must be presented to the City Council for approval in May 2011. The plan must be specific enough to be executable, but flexible enough to allow a permanent operator to be able to shape it based on its own strategic vision.
- Develop a Governance Model that provides sound leadership for the school and clear accountability to the community.
- Develop a Marketing Plan that will attract customers and investors to the school.
- Develop an expanded Program Model based on the principles described in the Key Operational Functions section, and builds on the lessons learned during the incubation period.
- Develop a multi-stage Organizational Model for staff and faculty that will provide the framework needed to successfully achieve the vision.
- Identify, mentor, and develop the key leaders and staff of the permanent operator, with an emphasis on developing Latino leadership, and position them to execute a seamless transition from the IIO to the permanent operator.

CORE QUALITIES & CAPABILITIES:

- The IIO must embrace the vision for MHP which was developed by the Steering Committee and unanimously approved by the City Council: to create an accessible, high-quality, community school program in arts and culture.
- The IIO must have the cultural competency, connections to the community, and capability to collaborate with a diverse group of partners in executing a program that reflects the MHP Guiding Principles adopted by the Steering Committee (see below).
- The IIO must have no financial stake or other conflicts of interest in the outcomes of MHP's organizational and operational development.
- The IIO must have the organizational capacity to provide the necessary leadership, administrative support, financial management and fundraising ability to create the conditions for effective transition and future success.
- The IIO must have the ability to identify the future leaders and staff of the permanent school operator, with an emphasis on identifying Latino leadership, the expertise to develop their capabilities in those roles, and the understanding that its role is to provide a bridge to the time when a permanent operator can take control, not to become the permanent operator itself.

Appendix C

List of the Prototyping Team Visits Conducted in Phase II

Organization Visited	Location	Organization Website
Los Cenzontles	San Pablo, CA	www.loscenzontles.com
East Bay Center for Performing Arts	Richmond, CA	www.eastbaycenter.org
Community School of Music and Arts	Mountain View, CA	www.arts4all.org
Oakland Museum	Oakland, CA	www.museumca.org
Community Music Center	Mission District – San Francisco, CA	www.sfcmc.org
Organizations Researched	Location	Organization Website
LA Music and Art School	East Los Angeles, CA	www.sfcmc.org
The Artist Collective	Hartford, CT	www.artistscollective.org

Appendix D

Ten Steps Towards Starting a Community School -- Summary Document

Ten Steps Towards Starting a Community School

Brochure produced by the National Guild of Community Schools of the Arts by LaMoine MacLaughlin

Steps	Notes	MHP Approach
1) Contact the National Guild for Community Arts Education		<ul style="list-style-type: none"> Elisa/Tamara attended conference in November
2) Gather some like-minded friends and visit several community schools of the arts		Prototyping team site visits
3) Assess your Community's Needs	Listen to the community, take time to talk with artists and community members	<ul style="list-style-type: none"> MHP Steering Committee's work Prototyping team to sponsor "Artist/Instructor focus groups"
4) All along the road to development, involve your local community to the greatest extent possible		General work of MHP Steering Committee: Public meetings, town hall, focus groups
5) Develop a model which would work best within your community	Forge a relationship with another school as your mentor	CSMA: potential community school mentor/partner
6) Organize a pilot program	Make sure everyone understands that any limited, tightly focused trial program is part of a future larger, inclusive course of study	Prototyping team efforts
7) Secure necessary financial resources		Fundraising and leadership development team
8) Find a suitable facility		Already have a 55,000 sq. ft building with 5 dedicated classrooms
9) Identify local teachers	Basic principles for hiring teachers are the same as for hiring most professionals	RFP for summer programs
10) Implement the program, evaluate the results and plan for the future	Organizations objectives: <ul style="list-style-type: none"> Real/no-nonsense Based on community input Clear time frames Focused on outcomes 	Continued work of MHP Steering Committee

Appendix E

Reference List

National Perspective on Community Schools of Art

National Guild for Community Arts Education: <http://www.nationalguild.org/index.html>

Field Survey Report 2007-2008, National Guild of Community Schools of the Arts

Note: Members only compilation of data from 198 member organizations that year.

2009- 2010 edition forthcoming. See:

<http://www.nationalguild.org/programs/DataBookSample.htm>

E-Bulletin – National Guild for Community Arts Education – 3/21/11

Community Music Center, San Francisco: <http://www.sfcmc.org/site/>

Community School of Music and Arts, Mountain View: <http://www.arts4all.org/>

Settlement Music School, Philadelphia: <http://www.smsmusic.org/home.php>

Henry Street Settlement, New York: <http://support.henrystreet.org>

Third Street Settlement, New York: <http://www.thirdstreetmusicschool.org/>

Cultural Literacy/Children’s Creativity Network Research

“Critical Evidence: How the Arts Benefit Student Achievement” (2006), Arts Education Partnership

“Creative Community Index” (2005), Cultural Initiatives Silicon Valley

“Champions of Change: The Impact of Arts on Learning” (1999), Edward B. Fiske

“An Unfinished Canvas: Arts Education in California” (2007), SRI International

The Dana Consortium Report on Arts and Cognition, Dana Press (2008)

“Doing Well and Doing Good by Doing Art: A 12-Year Longitudinal Study” (2009), James Catterall

The Imagine Nation: <http://www.theimagination.net/>

Dr. Shirley Brice Heath, Stanford University: <http://www.shirleybriceheath.net/>

Partnership for 21st Century Skills: <http://www.p21.org/>

Market Analysis and Competitive Environment

2010 U.S. Census Figures: <http://2010.census.gov/2010census/>

"Assessment of Optimal Uses and Sustainability of the Mexican Heritage Plaza, San Jose, California" by Maribel Alvarez, Ph.D. conducted and written in collaboration with Tom Borrup, Community Cultural Development

http://www.sanjoseca.gov/clerk/CommitteeAgenda/Rules/013008/Rules013008_g3.pdf

“Results, Resilience, and Renewal -- The Mayfair Index of Progress” March 2005

A Publication of the Mayfair Improvement Initiative produced by the Alliance for Regional Stewardship in collaboration with Collaborative Economics and Field Research Corporation with sponsorship from the William and Flora Hewlett Foundation

<http://www.somosmayfair.org/downloads/mayfairindex312005.pdf>

“There’s No Place Like Silicon Valley -- An Emerging Cultural Ecosystem for the 21st Century: A Report on the Cultural Infrastructure of California’s Silicon Valley” by Creative Community Builders commissioned by 1stACT Silicon Valley
http://1stact.org/resrc/documents/FirstActDoc06-14-09_000.pdf

Contributors to the Business Plan:

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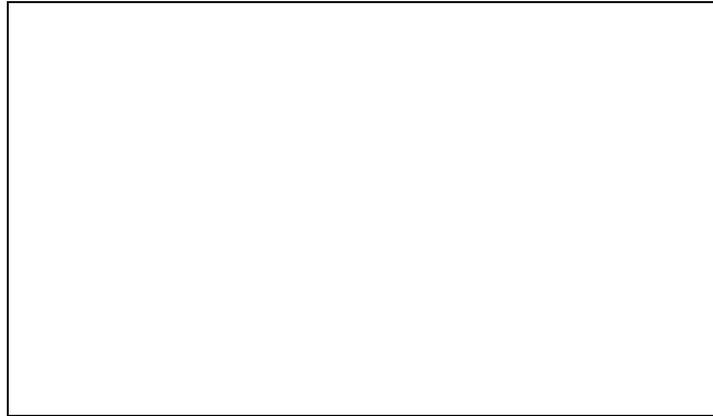
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Appendix F

Marketing Plan for School of Arts and Culture



**12-18 Month Communications Plan
Mexican Heritage Plaza**

GOALS:

The launch and year one incubation of the School of Arts and Culture at the Mexican Heritage Plaza (MHP), includes three goals:

- 1. Establish an Identity***
- 2. Fill the Classes***
- 3. Activate the Space***

Establish an Identity

The Mexican Heritage Plaza has an identity problem. When you Google “Mexican Heritage Plaza,” the first four listings at the top of the page take you to the Mexican Heritage Corporation website, which only fuels the community-wide confusion between the two entities. It isn’t until the fifth listing that you see a link to the City of San Jose’s website, which is where the MHP page currently sits. With no real visual identity and no clear separation between MHP and MHC (Mexican Heritage Corporation), the Plaza needs to break away from the current misperception and find its own voice.

Fill the Classes

After its initial launch, MHP will be offering quality classes to the community at a price that will enable the youth of both the Mayfair community and the greater San Jose community to participate. The goal in the first year is to make sure those classes are full and to prepare the runway to generate broad interest, community support and ongoing growth in class participation.

Target markets for arts education at School of Arts and Culture at MHP

- 1. Primary: Children and families from the immediate neighborhoods, with focus on arts education for children ages 4-16 with 6-10 year olds being the “sweet spot,” anchored in the guiding principles.***
- 2. Secondary: Children and adults throughout San Jose/Silicon Valley interested in affordable Mexican Arts and multi-cultural, multi-disciplined art classes.***

Activate the Space

To effectively grow and enhance the Mexican Heritage Plaza, activating the space is a critical component of both engagement and income generation. Renting the space is essential to generating earned revenue to support the classes and demonstrating the feasibility of a steady increase of income in the future. The current income is \$140,000/year from rentals. The goal in the first year is to increase that to \$200,000.

Target markets for activating the Mexican Heritage Plaza

- Commercial rentals (corporate events, weddings, quinceañeras, Bar/Bat Mitzvah’s)
- Neighborhood associations
- Mission-compatible organizations

COMMUNICATIONS STRATEGIES

Establish an Identity

Before MHP leadership begin their efforts to re-engage the community and share all of the forthcoming opportunities, there needs to be a strategic effort to create a unique identity for MHP, one that helps to separate it from the Mexican Heritage Corporation and create the baseline for all future activities.

1. ***Create an identity*** – Develop a logo that creates a separate identity for MHP. This logo will then be used in all future efforts. The creation of the logo will be an opportunity to bring key stakeholders into the process. It can be a community effort so key individuals feel part of the process from the very beginning. In this case, *the process is more important than the product*. And, as part of the rebranding effort, develop style guides and common language that can be used by all staff and partners, enabling a consistent look, feel and messaging coming out of MHP.
2. ***Build a website*** – Right now, typing “Mexican Heritage Plaza” into Google takes you to the MHC website. And the MHP site is buried in the City of San Jose’s website. Using the new logo, build a website for MHP that not only contains relevant information, but can be a resource for the community.
3. ***Expand the reach through social media*** – With a logo and website complete, MHP should create its own Facebook group, Twitter account, and YouTube channel. Once those three are created, they will provide a foundation on which the MHP presence can grow and expand.
4. ***Deliver visible leadership*** – Part of the challenge MHP has faced thus far is that its leadership has been directly tied into and underneath another organization. MHP has the opportunity to have its leadership, Tamara Alvarado and Elisa Echeverria, out in the community actively championing MHP as a separate entity. That means exploring speaking engagements, attending as many community and networking events as possible, and participating in community conversations. This will contribute to MHP’s own unique brand and provide evangelists to disseminate it. This can also be used as a strategy to promote both the classes and the available community space.

Fill the classes

With a goal of filling at least 500 spots within the next 12-18 months, especially within a community looking for activities for their children, it is important to lay the groundwork for classes and participation to grow exponentially. Therefore, here are the recommended strategies for filling the classes:

For both primary and secondary audiences:

1. ***Offer class registration online*** – make sure the MHP website allows for online registration as well as information on the available classes. Then, leverage search engine optimization techniques to ensure that those classes pop up in relevant internet searches.
2. ***Grow the virtual presence*** – Sometimes in order to build a real community, you need to first grow a virtual community. As part of the development of the identity,

Facebook would be an ideal way to create a forum where the community can opt-in to being part of the MHP community and learn about classes available to them. Expanding that strategy by creating and growing a Twitter account would be a nice complement and a great way to expand the reach of available programs offered at MHP.

3. ***Email still works*** – With an existing database of over 400 names, MHP can utilize email as a tool to spread the word about the classes, drive people to Facebook, and encourage friends to forward the information on to others. There should be a regular email communication that goes out, perhaps graphically done, so the information constantly stays top-of-mind.

For the primary audience:

4. ***Promote within the community*** – Despite new technologies, a good old-fashioned poster campaign might help do the trick. Printing and hanging posters and flyers in windows and counters of stores within the community (600 business establishments) would make sure that those closest (physically) to the MHP know that there is an opportunity available to them and their families. And it helps get the business community and their customers engaged as well.
5. ***Leverage the influencers and inclined*** – There are a lot of diverse community organizations that can and are willing to help champion and advocate for the new programming opportunities at MHP and are already promoting the new opportunities. Leverage those partners and, more importantly, their email lists. Let them help establish credibility on MHP's behalf.
6. ***Partnerships, partnerships and more partnerships*** – Complementing strategy #4, it will be critical for the MHP team to be out in the community and leverage relationships and partnerships. For example, look at ways to partner with City recreation programs and school partners like the Alum Rock School District, which is temporarily using the MHP space today. Maybe MHP programming can be an extension of those and be included in City recreation guides. Or, perhaps explore partnerships with local schools, with other community organizations like Boys and Girls Clubs, National Hispanic University, etc.

Activate the space

With an average income of \$140,000 earned already, the great news is that we are not starting from scratch. And, there is a lot of room to grow. With a goal of increasing earned revenue by \$60,000 to a minimum of \$200,000/year, there are a few strategies that should help inform the community that the MHP is available to be rented and is a great space for events and gatherings:

For both primary and secondary audiences

1. ***Grow the online presence*** – Having a functional, informational website is critical and tying it into search engine optimization is the top priority. This is still where people go to get more information. There needs to be an electronic sales kit online, as well as LOTS of photos that show how beautiful the facility is for all types of events, with the ability to leverage videos demonstrating how impactful MHP is when fully activated.

2. ***Build and grow a virtual presence*** – Leverage Facebook and Twitter to also promote the availability of the space. Post photos from events, promote the contact person for booking the space and note special deals and opportunities.
3. ***Invite the influencers*** – Like many industries, there are the influencers or event planners that make decisions regarding space rentals. Invite those planners to the MHP for an event or host them for a series of lunches. Show them the space, let them park in the free lot, walk them around. If they are recommending to other people where to go, they need to be familiar with and comfortable enough to champion the space. In addition, invite back ALL of the organizations and folks who have booked events in the past – like Bank of America – and show them that MHP values their commitment.
4. ***Email still works*** – With an existing database of over 400 names, MHP can utilize email as a tool to spread the word about the available space, drive people to Facebook, and encourage friends to forward the information onto others. There should be a regular email that goes out, perhaps graphically done, so the information constantly stays top-of-mind, just as with the classes.

For the primary audience

5. ***Embrace community groups*** – From neighborhood associations to arts organizations, reach out individually and let them know that the space is available and looking for partners. Invite them over, cater a lunch. There has to be a real human touch to this that lets them know the “castle walls” may not be as high or forbidding as they seem.

Appendix G

Los Arcos Fundraising Letter

Dear Friends,

The Mexican Heritage Plaza is beginning an exciting new chapter in its history with a new vision as **a vibrant community school of arts and culture** that will serve our children, families and community with inclusive and innovative arts education and culturally relevant experiences. We hope that you will join the Mexican Heritage Plaza Steering Committee and be part of it!

We are actively seeking support from foundations, corporations and the City of San Jose to help us realize this vision. But they need to know that individuals from within our community are moved by the vision and are willing to help realize its potential. By gathering a large number of \$50, \$100, \$250, \$500 and \$1000+ contributions in support of a School of Arts and Culture at MHP, we can show future funders how much our community values arts and culture programs for our children and inspire them to invest.

Every contributor to the “Arte Para Los Niños Fund” becomes a founding member of *Los Arcos*, a special donors circle that will receive a monthly electronic newsletter that tracks progress and highlights upcoming programs at the Plaza. We also need you to stand with us on May 24th when City Council considers final adoption of this plan. They need to know that our community supports arts education at MHP!

If you would like to participate in this campaign, make your check payable to “Arte Para Los Niños Fund” and send to Tamara Alvarado c/o 1stACT Silicon Valley, 38 W. Santa Clara Street, San Jose, CA, 95113 by May 15th. 100% of your contribution will be used for children’s programming. And please send us the attached response form with your check or pledge, and let us know whether or not you can join us on May 24th at 1:30pm. Alternatively, email smoore@1stact.org with your information.

Lastly, we ask that you add your name to this letter and send it to your network of friends who might want to be part of making this dream for our children a reality. Together we can create a legacy that nurtures our souls and brings joy, learning and a sense of belonging and pride to our community. Thank you for your consideration!

Sinceramente,

Alcario Castellano, MHP Steering Committee Member and Fundraising Co-Chair
Linda Snook, MHP Steering Committee Member and Fundraising Team Member
Connie Martinez, MHP Steering Committee Member and Fundraising Co-Chair
Tamara Alvarado, loaned executive for MHP from 1stACT Silicon Valley

Appendix H

Facility Assessment by Valley Facilities Management Company

FACILITIES OVERSIGHT

CITY OF SAN JOSE FACILITIES

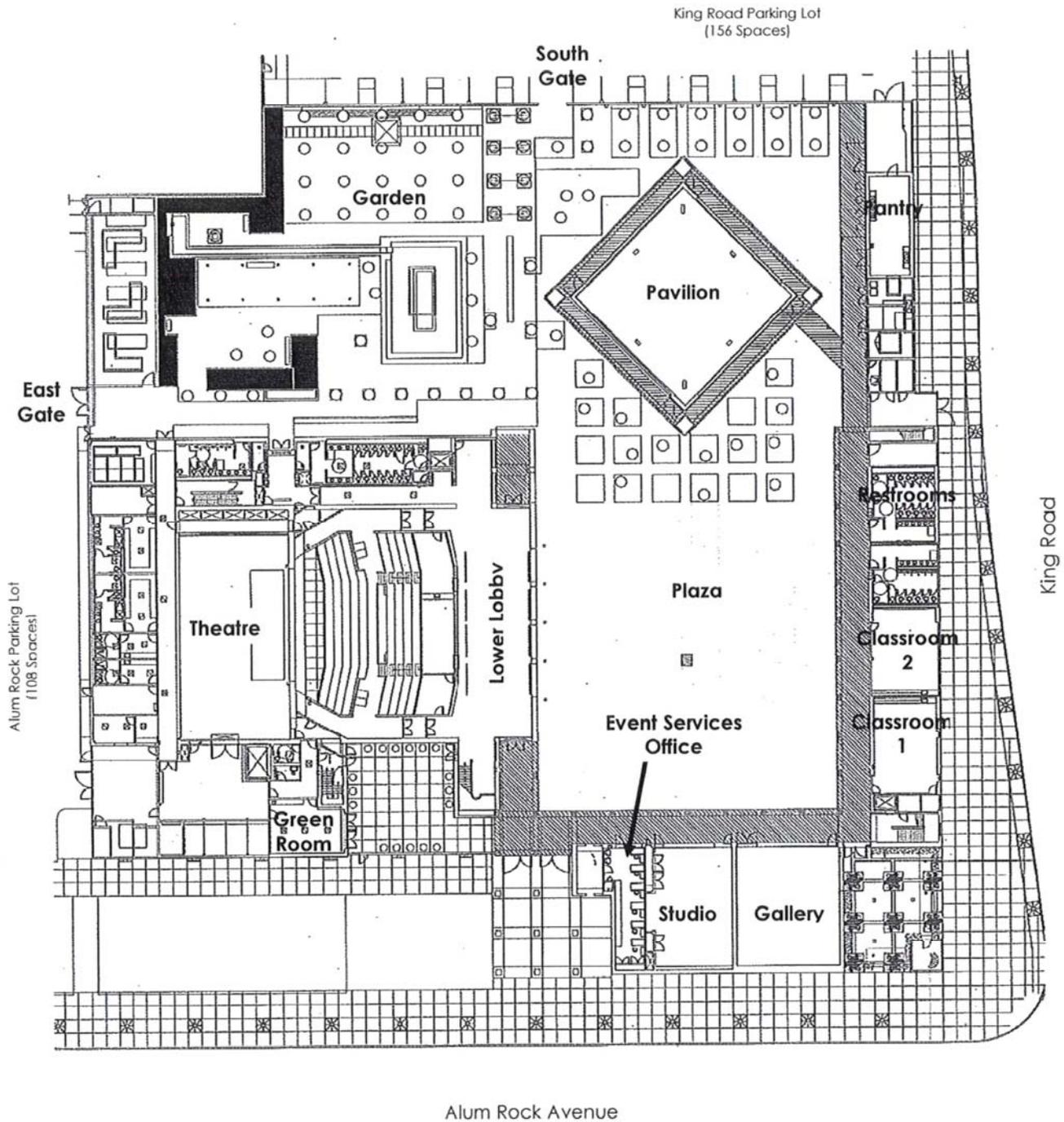
SITE AND BUILDING Information

The following sections include building information and characteristics for this facility.

Mexican Heritage Plaza Building

The Mexican Heritage Plaza complex is located at 1700 Alum Rock Avenue, San Jose, California. The gross square footage of the building is 132,000.





The Mexican Heritage Plaza

Building Information and Characteristics

Building Name	Mexican Heritage Plaza
Building Number	
Year Constructed	1999
Building Gross Square Footage	132,000 SF
Number of Stories	2
Structure Type	Stucco exterior, pavilion is wrapped in glass
Roofing Type	Ceramic tile roof with tar and gravel mechanical areas.
Heating, Ventilation, and Air Conditioning (HVAC)	The HVAC system consists of a forced-air system that feeds the auditorium through variable-air-volume boxes. The chiller and air handlers serve the auditorium. Package units serve the office and classroom areas.
Electrical	Electricity is provided by Pacific Gas and Electric Company from Alum Rock Ave. Power is distributed throughout the building via electrical panels located in mechanical rooms on each floor. Additional electrical service for rental group on front roof top.
Fire Safety	The fire alarm system will be maintained by Cintas.
Elevators	Two elevators, one serves the auditorium and the other serves the upstairs office areas. Elevators are maintained by Schindler. State permit expired 1/07/2011
Parking Spaces	Two lots for parking, lighting and landscaping throughout.
Facility Contact	Dan Keller 408 975-7260 dan.keller@sanjoseca.gov Bert Beattie 408.882.7096 (cell)
Owner	City of San Jose
Managing Party	Mexican Heritage Corporation of San Jose

Utility Shutoff Locations

The following table lists the shutoff locations for each utility:

Electricity	Northeast Side of Theater
Water	Service from King streets, pen holds main
Gas	Service from King streets, pen holds main, local shut-off in boiler room
Chilled Water	Plant located on equipment mezzanine behind theater

Hot Water	Two locations, boiler area in theater and adjacent to kitchen, kitchen wing.
Steam	N/A
Compressed Air	N/A

Initial Condition Assessment

Mexican Heritage Plaza

Site Exterior

AREA/ASSESSMENT/RECOMMENDATION	CONDITION
<p>Paving: The two public parking lots have a good surface condition, landscaping is clean and kept-up. Lighting throughout lots. Access to rear of Plaza. <i>Recommendations:</i> Consider scheduling a re-seal for the spring</p>	Good
<p>Sidewalks: Sidewalks are under city domain. Perimeter in good condition and clean. Graffiti evident on external walls, some urine spots in corners. Minimal trash <i>Recommendations:</i> Continue with graffiti abatement program.</p>	Good
<p>Irrigation System: The sprinkler system controls are in the boiler room <i>Recommendations:</i> N/A</p>	Good
<p>Signage: Building tactile signage is complete. No cones over fire extinguishers. Some piping is not labeled. <i>Recommendation:</i> None</p>	Good
<p>Exterior Lighting: On perimeter and in the parking lots. Some for the tower in front for banners. One bollard lamp in garden broken. <i>Recommendations:</i> Will review site at night.</p>	Unknown

Building Exterior

Exterior is clean and free of damage. The trash pen is clean, the tower stairs have a tripping hazard, and all exit gates open and close well. The court yards are well kept and signage and recycle bins are prevalent. Some dark mold or dirt on the walls is present.

Roofing

The mechanical areas are on tar roofing and one spot near chiller # 2 is slightly crested. Ceramic tile roof and flashing is in good condition. Otherwise, roof is in good condition. Drains are clear.

Building Interior

AREA/ASSESSMENT/RECOMMENDATION	CONDITION
<p>Interior (Emergency) Stairway: Interior stairways, walkways, plaza courtyard were observed to be free from defects and tripping hazards. Lighting is good and there is minimal storage in passageways. Signage, strobes and pull stations present. <i>Recommendation:</i> No corrective action required at this time.</p>	Good
<p>Wall to Wall Carpets: All carpeted areas in the administrative offices and the auditorium are in good condition, no stains, rips or uneven areas. <i>Recommendation:</i> None</p>	Good
<p>Vinyl Floor Tiles: Ceramic tiles in plaza are consistently level and clean. Tiles in the auditorium in good condition. <i>Recommendation:</i> None</p>	Good

AREA/ASSESSMENT/RECOMMENDATION	CONDITION
<p>Wall Finishes: All walls in kitchen, mechanical, hallway, stairways and auditorium are clean, clear of marks and maintained.</p> <p><i>Recommendation:</i> None</p>	Good
<p>Interior Doors: The interior wooden doors are in good condition and operate well. All door closers, latches and insulation operational. The auditorium front exit double doors do not close completely, as Moe hair slightly blocks movement. The pavilion has retractable sliding doors that are aluminum and glass. No damage seen and all are operational. All doors are operational as observed.</p> <p><i>Recommendation:</i> None</p>	Good
<p>Drop Ceiling Tiles: All ceiling tiles throughout the buildings are in very good condition and are uniform in type.</p> <p><i>Recommendation:</i></p>	Excellent
<p>Elevator Certification: Elevators are operational and clean, permits expired 1/07/2011.</p> <p><i>Recommendation:</i> None at this time.</p>	Good

Heating, Ventilation, and Air Conditioning

AREA/ASSESSMENT/RECOMMENDATION	CONDITION
<p>Primary Air Handling Unit (AHU): Units are clean and belts are in good condition, Periodic maintenance schedules need to be maintained. All areas and suites clean and free of stored items. Hoses are present at each unit. Access to AH-3 awkward access over gap where vertical stairs protrude. Latch to access ladder cover lock metal is weak and not secure. All filters need replacing.</p>	Fair
<p>Chillers: Two chillers serve auditorium. Coils are clean; however, motors could be greased. Hose present for coil cleaning, etc. Unit was off during inspection.</p>	Good
<p>Boilers: Two boilers serving auditorium are in good condition. Suite is clean and free of debris. No sign at gas shut-off.</p> <p>Boiler room for office areas, etc is clean, but a bit confined. Hot water line overhead is rusted and shows corrosion. Pumps are dirty with a leak at coupling. Units are free of vibration. New hot water heater is not anchored. 2 of the 3 units are turned off/isolation valves closed.</p>	Good
<p>Building Automation System (BAS): Need to conduct further investigation</p>	

Electrical

AREA/ASSESSMENT/RECOMMENDATION	CONDITION
<p>Main Electrical Service: All panels are in good condition, labeled and free of obstructions. Large service to rental area in front building roof. Suites are clean and free of stored items. Suite has no air vent out, so room is warm.</p>	Good
<p>Transformer: Transformer is clean and fairly quiet.</p>	Good
<p>Electrical Distribution Panels: All panels in good condition and free of obstructions. Breakers are cool to the touch. Open slots have blank-offs.</p>	Good

Plumbing

AREA/ASSESSMENT/RECOMMENDATION	CONDITION
Backflow Prevention Device: In good condition, unknown if the system is checked periodically.	Good
Main Sewer Line: No exception noted	Good
Bathroom Plumbing Fixtures: There are restrooms on each floor. All plumbing fixtures are in good operating condition. Restrooms look and smell clean.	Good

Fire Life Safety

AREA/ASSESSMENT/RECOMMENDATION	CONDITION
Fire Alarm System: Annunciater room has panel and it is in operation. Door has signage.	Good
Fire Suppression Systems: A wet-pipe sprinkler system provides fire suppression to the buildings. Outside walk areas and buildings are protected with ceiling mounted pendants. Fire Pump system in good order, seals flooded as required.	Good
Fire Extinguishers: Fire extinguishers are mounted throughout the facility in cabinets. The monthly periodic inspection of the extinguishers has current tag punches and need servicing	Fair
Emergency Electrical Power: Emergency generator suite and unit is clean. 5/8 tank of fuel. City department will refill when needed. Batteries free of corrosion. No periodic start-ups conducted.	Good
Fire Safety Egress Doors: All egress doors are in good operating condition. Door closers, panic hardware, transitions and glass are in good condition. Door to front courtyard from auditorium was left open. Most doors a have door stops, these should not be used.	Good

Energy Conservation

AREA/ASSESSMENT/RECOMMENDATION	CONDITION
Window Tinting: There are many windows in this facility, but no tinting of the windows. May not need tinting with the roof eaves and the pavilion 'style'. <i>Recommendation:</i> No action required at this time.	N/A

Environmental

AREA/ASSESSMENT/RECOMMENDATION	CONDITION
Asbestos and Lead-Based Paint (LBP): No asbestos present.	N/A

APPENDIX C. CRITICAL EQUIPMENT ASSESSMENT GUIDE

C.1. Mexican Heritage Plaza

C.1.1. Documentation and Records

DOCUMENTATION	ASSIGNED TO	DATE	COMMENTS
Review Records of Inventory	DF	3/25/2011	Service records not available.
Preventative Maintenance Plans			Not inspected at this time
Service Call Records			
Certifications:	DF	3/25/2011	No certifications or permits posted.
Building's critical equipment			
Structure			
Fire			
Safety			OK at time of inspection
Health concerns			

C.1.2. Critical Elements: HVAC

MAIN AIR HANDLING UNITS	ASSIGNED TO	DATE	COMMENTS
Inspect overall unit for general machine condition	DF	3/25/2011	Units are in good condition, filters dirty
Look for cracks and any other damage to the machine	DF	3/25/2011	Units are in good condition
Look at fan blades for cracks and excessive wear	DF	3/25/2011	Fan blades in good condition
Inspect dampers for dirt accumulations	DF	3/25/2011	No excessive dirt accumulated
Look at damper actuators and linkage for proper operation	DF	3/25/2011	Actuators in good operable condition

FAN ASSEMBLIES	ASSIGNED TO	DATE	COMMENTS
Fans should be inspected for proper operation, lubrication, and cleanliness	DF	3/25/2011	Fans in good condition; could use grease.
Check if fan blades are properly aligned and rotate freely within their housings	DF	3/25/2011	Rotation is even and rotates freely.
Inspect the pulleys on the fan shaft	DF	3/25/2011	In good condition
Inspect the motor shaft during fan operation for signs of wear	DF	3/25/2011	In good condition
Whether or not they are of matched set		12/10/2010	
Whether they are riding equally on the pulleys	DF	3/25/2011	Operates well, AH-3 drum may be off balance
If the fan assembly drive unit has a flexible connection, inspect the coupling for unusual noise, wear, and vibration	DF	3/25/2011	OK
The shaft sleeve bearings for fans are lubricated with oil while ball bearings are packed with grease	DF	3/25/2011	Grease present, looks like service may be sporadic
Check the floor for a collection of oil, lint, and grease that may be present due to excess lubrication of this equipment	DF	3/25/2011	AH-3 signs of excess lubrication
FILTERS	ASSIGNED TO	DATE	COMMENTS
Check fresh air filters in air handlers to see if they:	DF	3/25/2011	
Are missing			
Are properly aligned			
Are clogged	DF	3/25/2011	Filter are very dirty and need to be changed
Have excessive pressure drop	DF	3/25/2011	Filter are very dirty and need to be changed
Check the condition of the drive mechanism			Not inspected at this time
Check the air inlet side of the heating and cooling coils for cleanliness	DF	3/25/2011	Coils are clean and clear of debris or damage

Inspect coil frames and drain pans for absence of rust and deterioration	DF	3/25/2011	No rust present
They should be clean and painted			
Check for absence of water ponds and dirt buildup	DF	3/25/2011	No water present and minimal debris in pans
V-BELTS	ASSIGNED TO	DATE	COMMENTS
Inspect V-belts for:	--	--	Provide belt dressing for all V-belts
Breaks	DF	3/25/2011	In good condition
Evidence of wear			No exceptions noted
Glazing of the tension surfaces			Not inspected at this time
Excessive flopping	DF	3/25/2011	RA-3 belts are slightly loose
Proper tension			
A belt is tensioned properly if it has a deflection of one-half inch typically midway between the pulleys	DF	3/25/2011	
If a belt is too loose, it will slip, while a tight belt will cause increased bearing load and more rapid bearing wear			
Check for protective safety cover or other restraining device	DF	3/25/2011	All covers in place
LOUVER/DAMPER	ASSIGNED TO	DATE	COMMENTS
Inspect intake and exhaust damper assemblies to see that they are not damaged or corroding	DF	3/25/2011	In good condition and clean
Check for freedom of automatic damper movement (note deficiencies)	DF	3/25/2011	In good condition
Inspect for: Bent shafts, binding of blades or operating mechanism, bent rods or levers, unconnected damper actuators, and excessive air leakage when closed	DF	3/25/2011	All in good condition
Check outside and return air dampers for proper positioning and modulation	DF	3/25/2011	In good condition
Outside air dampers should be 100 percent closed when return air dampers are 100 percent open and vice versa	DF	3/25/2011	Present in this condition

COOLING TOWER	ASSIGNED TO	DATE	COMMENTS
The inside of the cooling tower is constantly exposed to water, chemicals, and air			No cooling tower at this facility
BOILER AND UNFIRED PRESSURE VESSEL	ASSIGNED TO	DATE	COMMENTS
Check for general condition of:	DF	3/25/2011	Gas shut-off does not have a sign or wrench
Combustion controls	DF	3/25/2011	In good operating condition
Leaks (water, air or fuel)	DF	3/25/2011	In good condition, no sign of leaks
Unrestricted safety valve and discharge piping	DF	3/25/2011	Operable valve
Low water cut out		12/10/2010	Not inspected at this time
Clean water level sight glasses	DF	3/25/2011	In good condition
Verify inspection certificates (are they current, posted, and made by certified inspectors)	DF	3/25/2011	None posted
Check if the boiler room is clean, has adequate supply air for combustion, and is absent of starving for air	DF	3/25/2011	Plenty of air and suite is clean
Check that boiler plant startup, operation, and shutdown procedures are posted and applicable to plant	DF	3/25/2011	No instructions posted
Verify Boiler permit is posted (if required)	DF	3/25/2011	No permit posted
Is there a non-reset able totalizing fuel meter installed on the unit?			Not inspected at this time
CHILLERS	ASSIGNED TO	DATE	COMMENTS
Check for general condition of:	--	--	--
Controls	DF	3/25/2011	In good condition
Absence of leaks (water, air or refrigerants)	DF	3/25/2011	In good condition
Safety valve and piping to outside for larger units			Not inspected at this time
Working gauges	DF	3/25/2011	In good condition
Chillers and surrounding areas should be clean	DF	3/25/2011	Areas are clean of debris

Check low pressure machines to ensure that purge unit is functioning and there are no obvious leaks of refrigerants to the atmosphere			Not inspected at this time
Check that oil use is not excessive	DF	3/25/2011	Oil use is satisfactory
Check that venting, recovery, recycling, and reclaiming of refrigerants are in accordance with laws and regulations		12/10/2010	Not inspected at this time
Check to see that chiller plant startup, operation, and shutdown procedures are posted and applicable for the plant	DF	3/25/2011	Instructions not posted
Is there a low level oxygen alarm in the enclosed Chiller areas and is the alarm capable of audible and visual notification?	DF	3/25/2011	No alarms, units are outside
PUMPS	ASSIGNED TO	DATE	COMMENTS
Check for unusual noises or operating temperatures and pressures	DF	3/25/2011	Units sound quiet and are not hot to the touch
Check coupling vibration for misalignment and for unsupported vibrating piping	DF	3/25/2011	No vibrations noticed
Pumps having mechanical seals should not be leaking fluids	DF	3/25/2011	Boiler room pumps show signs of leakage, corrosion
Check for water leaks or if water-cooled bearing for a small controlled packing leak		12/10/2010	Not inspected at this time
Examine for rust which is a prevalent problem around pump structural parts	DF	3/25/2011	Minor rust on some units
Cleaning and painting are required	DF	3/25/2011	Units are painted
Check that pump is firmly bolted to foundation.	DF	3/25/2011	Units are secured to foundation
Check that valve stem threads are clean and isolation valves are free to operate			Not inspected at this time
MOTORS	ASSIGNED TO	DATE	COMMENTS
Inspect structural frame and motor assembly for heat cracks, wear, and moisture	DF	3/25/2011	Assemblies in good condition
Check for loose, vibrating, or uncovered electrical wiring	DF	3/25/2011	No vibrations noted, units are in good condition, appear as if new. Fan motors painted gold

Check that grounding straps are installed and tightly secured			Not inspected at this time
Feel the motor and bearing for excessive heat	DF	3/25/2011	Units are not hot to the touch
Visually check the windings for cleanliness to be sure they are free of dirt, oil or grease	DF	3/25/2011	Some dirt present
A visual inspection of the motor starter panel should also be made for:	DF	3/25/2011	Panels In good condition
Cleanliness	DF	3/25/2011	Panels are clean inside
Absence of rust	DF	3/25/2011	No rust noted
Tagged if equipment is down for repairs or preventative maintenance		12/10/2010	N/A
Check that motor is firmly bolted to foundation	DF	3/25/2011	All units secure
STEAM TRAPS/VALVES	ASSIGNED TO	DATE	COMMENTS
Check steam traps and strainer for proper operation			No exceptions noted
Valve stems should be cleaned and not painted			No exceptions noted
Check for stem packing and bonnet bleaks			Not inspected at this time
AIR COMPRESSOR	ASSIGNED TO	DATE	COMMENTS
Perform a visual inspection of the air system, noting any obvious leaks or portions of the air distribution network that may be subject to physical damage			N/A
Look at air storage tank or receivers for water accumulation			
Check oil separators for signs of oil or contamination entering into system			
Look at air filter for cleanliness and tightness of fit			
Check for unfired pressure vessel inspection certificate, if applicable			
Check shutoff and starting operating pressures and for high cycling rate			

Check gauges for notable damage and general condition			
Identify the "Permit to Operate" and document the expiration date			
Verify the safety guard is attached, secure, and adequately covers the belt and pulley			
Check the pressure relief and note the system used (manual, timer, ball float) and verify the condition			
Verify signage is posted indicating that the equipment starts automatically			
SWITCHGEAR AND ELECTRICAL SYSTEMS	ASSIGNED TO	DATE	COMMENTS
Check PM records to see who is maintaining the switch gear and bus duct: GSA, delegated agency, or contractor	DF	3/25/2011	No records on-site
Check for unusual noise or vibrations, loose connections, or pitted contacts	DF	3/25/2011	No unusual noises or heat from units
Check that rubber mats are installed			Not inspected at this time
Check that breaker power lights and open-close flags are working			Not inspected at this time
BUS DUCT	ASSIGNED TO	DATE	COMMENTS
Inspect for physical damage and mechanical conditions, including all connections where bus is joined, at turns, and at feeder connects	DF	3/25/2011	In good condition
Verify that ventilation openings are unobstructed	DF	3/25/2011	Openings are not obstructed
Visually inspect for bus alignment, proper bracing, and enclosure ground	DF	3/25/2011	In good condition

C.1.3. Building Structure

The building components identified below will not be present in every building, nor does this list encompass all the elements of every building component. The level of detail and the extensiveness of inspection shall be only what are necessary to document deterioration and disrepair that is identifiable by inspection with the use of simple tools, e.g., binoculars and moisture meters, without invasive investigation. The general repair and operability of all elements, and the character and extent of all deterioration shall be documented.

If available, the contractor will be provided with copies of most recent condition surveys, evaluations, and reports relevant to the building. If an earlier document identifies physical deterioration that has not been remedied, the Contractor shall note when the deterioration was identified.

ROOF SYSTEM	ASSIGNED TO	DATE	COMMENTS
Check the following equipment:	--	--	
Roof material	DF	3/25/2011	Ceramic tile and tar for mechanical areas
Flashing	DF	3/25/2011	Flashing is in good condition throughout
Underlayment			Not inspected at this time
Cresting	DF	3/25/2011	One spot near chiller # 2 slight cresting
Other exposed metal elements	DF	3/25/2011	Bird waste present
ROOF STRUCTURE	ASSIGNED TO	DATE	COMMENTS
Inspect roof structure and other roof support system elements			Not inspected at this time
Check ceilings of story immediately below roof	DF	3/25/2011	All ceiling tiles in excellent condition
DRAINAGE SYSTEM	ASSIGNED TO	DATE	COMMENTS
Check the following equipment:	--	--	--
Gutters	DF	3/25/2011	In good condition
Rain leaders			Some minor blockage...should be revisited
Drains	DF	3/25/2011	In good condition
Scuppers			
Attachment system elements			
Storm sewer			

FENESTRATION	ASSIGNED TO	DATE	COMMENTS
Inspect the following equipment:	--	--	--
Sash windows			Not inspected at this time
Casements	DF	3/25/2011	In good condition
Fixed glass panels	DF	3/25/2011	In good condition
Associated hardware			
Other hardware			
SUPERSTRUCTURE	ASSIGNED TO	DATE	COMMENTS
Check the following equipment:	--	--	--
Columns			No exceptions noted
Beams			No exceptions noted
Structural walls			No exceptions noted
Floors	DF	3/25/2011	All in good condition
Stairwells and stairways	DF	3/25/2011	All In good condition
FOUNDATION	ASSIGNED TO	DATE	COMMENTS
Inspect the following equipment:	--	--	--
Footing			Not inspected at this time
Foundations			Not inspected at this time
Retaining walls			
EXTERIOR WALLS	ASSIGNED TO	DATE	COMMENTS
Check the following equipment:	DF	3/25/2011	Building stucco may have external areas with black mold. Ceiling plaster in covered hallways has cracks
Masonry units	DF	3/25/2011	Rear corner of pavilion has chipped decorative stone
Sculptural elements			

Pointing			
Metals elements			
Concrete	DF	3/25/2011	In good condition
Exterior doors	DF	3/25/2011	In good condition
Attached exterior lighting			Must view at night
PAVING	ASSIGNED TO	DATE	COMMENTS
Check the following equipment:	--	--	--
Walkways	DF	3/25/2011	In good condition
Parking areas	DF	3/25/2011	In good condition
Plazas	DF	3/25/2011	In good condition, lots of gum noted
Ramps	DF	3/25/2011	None present
DETACHED EXTERIOR ELEMENTS	ASSIGNED TO	DATE	COMMENTS
Inspect the following equipment:	--	--	--
Planters	DF	3/25/2011	Garden areas In good condition
Fountains	DF	3/25/2011	In good condition
Exterior stationary furniture	DF	3/25/2011	In good condition – Benches not anchored
Statuary	DF	3/25/2011	None noted
Free-standing lighting	DF	3/25/2011	None noted
INTERIOR	ASSIGNED TO	DATE	COMMENTS
Inspect sash and millwork			
Check the following equipment:	--	--	--
Flooring	DF	3/25/2011	In good condition
Ceiling	DF	3/25/2011	In excellent condition
Stairways	DF	3/25/2011	In good condition

Inspect the following equipment:	--	--	--
Interior doors	DF	3/25/2011	In good condition, free from marks or scuffs
Non-structural walls	DF	3/25/2011	In good condition
Wall finishes	DF	3/25/2011	In good condition
Floor finishes	DF	3/25/2011	In good condition
Ceiling finishes	DF	3/25/2011	In excellent condition
Decorative lighting fixtures			
Check installed artwork and decorative architectural elements	DF	3/25/2011	In good condition, fountain has some scaling under fall
Check for ADA Compliance (entryways, etc.)	DF	3/25/2011	All In good condition, except auditorium exit at catwalk access appears less than code width
ELEVATORS	ASSIGNED TO	DATE	COMMENTS
Inspect elevator cars, doors, cable/hydraulic systems	DF	3/25/2011	Cars in good condition
Check elevator permits	DF	3/25/2011	ok
Operate elevators and check for problems	DF	3/25/2011	No problems noted
Check door closing sensors	DF	3/25/2011	Sensors react quickly
BUILDING RENOVATIONS	ASSIGNED TO	DATE	COMMENTS
For any facility under renovation during the survey spot, check the project to ensure the enforcement of quality control and compliance with safety guidelines			N/A

C.1.4. HSE and Fire Life Safety

EMERGENCY GENERATOR	ASSIGNED TO	DATE	COMMENTS
Inspect generator room to make sure that it is clean and not being used for miscellaneous storage	DF	3/25/2011	Suite is clean and free of storage
Check that the ventilating louvers are free to operate	DF	3/25/2011	Louvers operate freely
Check that fuel tanks are full and check fuel piping for damage or leaks	DF	3/25/2011	3/4 full fuel level, no leaks detected

Inspect electrical system, engine, and generator for overall condition	DF	3/25/2011	In good condition
Verify that the system is set for automatic start and transfer	DF	3/25/2011	OK
Verify the "Permit to Operate" is updated and posted adjacent to the equipment	DF	3/25/2011	No permit posted
Check documentation to confirm that weekly and monthly tests are being performed	DF	3/25/2011	No regular testing on this unit
FIRE ALARM SYSTEM (OVERALL)	ASSIGNED TO	DATE	COMMENTS
Check PM documentation to make sure fire protection systems are being maintained according to the associated NFPA guidelines			Not inspected at this time
SPRINKLER SYSTEM	ASSIGNED TO	DATE	COMMENTS
Inspect sprinkler control room for cleanliness and that it is free of debris	DF	3/25/2011	
Verify there is adequate access to the sprinkler main	DF	3/25/2011	Main is in rear pen
Check for signs of water leakage	DF	3/25/2011	Small leak at valve
Check pressure valves and booster pumps for adequate water pressure levels			No exceptions noted
Verify the 5-year certification has been completed and documented at the sprinkler main location			Not inspected at this time
Follow sampling plan guidelines to verify that sprinklers throughout the building are in good condition, properly aligned and free from mechanical damage, leakage, and corrosion	DF	3/25/2011	All in good condition
FIRE PUMPS	ASSIGNED TO	DATE	COMMENTS
Check that there is no excess water leaking out of the pump	DF	3/25/2011	No exceptions noted
Verify that pump suction, discharge, and bypass valves are fully open	DF	3/25/2011	No exceptions noted
Check for unusual noise or vibration			No exceptions noted

Check that all alarm pilot lights are off			Not inspected at this time
Check documentation to confirm that weekly churn and annual flow tests are performed			Not inspected at this time
EXTINGUISHERS	ASSIGNED TO	DATE	COMMENTS
Obtain the inventory of fire extinguishers			
Validate each extinguisher on the inventory through visual inspection	DF	3/25/2011	All extinguishers reviewed had inspection tags current
Visually inspect the general condition of the fire extinguishers	DF	3/25/2011	All in good condition
Confirm that the extinguisher is in its designated place and appropriate for the hazard protected	DF	3/25/2011	In appropriate places, cabinets are locked
Check that there are no obstructions to the extinguisher that inhibit visibility or easy accessibility	DF	3/25/2011	No obstructions noted
Check that the seals or tamper indicators are intact	DF	3/25/2011	Units are intact and in good condition
Check for obvious physical damage, corrosion at seams, and leakage	DF	3/25/2011	No damage noted
Verify that operating instructions face outward and are visible, and note any damaged or illegible operating instructions	DF	3/25/2011	Operating instructions face outward
Verify an indicator arrow or sign is mounted above each unit	DF	3/25/2011	Not all units had signage
Check the pressure gauge of each unit for adequate charge	DF	3/25/2011	All units are charged, except those noted above
Check to see if each unit is mounted properly and secured to the wall mount	DF	3/25/2011	All mounted properly
Confirm that annual inspections have been conducted and document the last date of recharge	DF	3/25/2011	Tags are current
WET/DRY CHEMICAL EXTINGUISHING SYSTEM (CAFETERIA)	ASSIGNED TO	DATE	COMMENTS
Check for signs of physical damage to all system components			N/A
Check for grease accumulation on the fusible links and nozzles on systems protecting cooking equipment			
Check that manual system actuators are not obstructed			

Check that seals or tamper indicators are intact			
Verify that any detection system(s) used to activate the extinguishing system is operational			
Verify that there are no changes in the size or type of hazard being protected and no alterations have been made to the equipment or room being protected			
Confirm that annual inspections have been performed			
HOUSEKEEPING	ASSIGNED TO	DATE	COMMENTS
Verify at least 24" of unobstructed access is available in aisle ways hallways, and corridors	DF	3/25/2011	Hallways, corridors, etc free of obstructions, one auditorium exit access way appears not wide enough
Check to see if walkways are clear; materials/equipment properly stored	DF	3/25/2011	Hallways, corridors, etc free of obstructions
Check to see if cords and hoses are properly secured and properly stored	DF	3/25/2011	
Check to see if sufficient lighting is available in all occupied areas, storage rooms, and mechanical rooms	DF	3/25/2011	All rooms adequately lit.
Identify slip, trip, fall hazards	DF	3/25/2011	
TOOLS AND EQUIPMENT	ASSIGNED TO	DATE	COMMENTS
Are handles, striking, and cutting surfaces, pneumatic/hydraulic hose connections, and guards properly used and in good condition?			N/A
Appropriate tools are available for the specific tasks to be performed?	DF	3/25/2011	Minimal tools seen
Tools are being used for their intended use?			Unknown

DOCUMENTATION, POSTINGS, AND SIGNS	ASSIGNED TO	DATE	COMMENTS
Check for federal and state required signage	DF	3/25/2011	Excellent tactile signage
Verify eye protection required, hearing required, eyewash station, and authorized personnel only signage is posted in applicable areas (i.e. chiller rooms, mechanical rooms, electrical rooms, etc.)	DF	3/25/2011	Protective equipment not in mechanical areas. Signage not present.
Verify evacuation maps are accurate and posted in a conspicuous place	DF	3/25/2011	Did not see evacuation signage
Verify Prop 65 signage is posted in areas containing hazardous materials	DF	3/25/2011	No Prop 65 signage
Check for confined space entry signage posted where applicable			N/A
PERMITS AND CERTIFICATIONS	ASSIGNED TO	DATE	COMMENTS
Locate equipment permits and document the expiration dates	DF	3/25/2011	No permits posted
Locate the HMMP permit and document the expiration date	DF	3/25/2011	OK
UNDERGROUND STORAGE TANK (UST)	ASSIGNED TO	DATE	COMMENTS
Verify the most recent monitoring test conducted			N/A
Locate the Air Quality Agency "Permit to Operate" and document the exp. date			
Locate the County operating permit and document the exp. date			
Verify SB989 secondary containment testing was completed within the last three years			
Verify a Designated Operator has been assigned to the site and operator designation form was submitted to the county CUPA			

FIRE PREVENTION	ASSIGNED TO	DATE	COMMENTS
Verify flammables are properly stored	DF	3/25/2011	Fire cabinet orderly and clean, doors operable
Verify a metal container w/ self closing lid is available for dirty rag storage	DF	3/25/2011	No dirty rag storage
Identify oxygen cylinders are stored separate from combustibles and incompatible gases.			N/A
Is a 1-hour fire rated cabinet available for flammable quantities over 30-gallons?			N/A
Are warning signs (NFPA placards) or notices properly displayed?	DF	3/25/2011	Only on the generator suite
HAZARDOUS WASTE MANAGEMENT	ASSIGNED TO	DATE	COMMENTS
Verify secondary containment is available for hazardous waste storage	DF	3/25/2011	None present
Are waste containers properly labeled with the facility name, EPA ID #, address, and accumulation start date?	DF	3/25/2011	Facility does not generate much hazardous materials
Are waste containers closed and if located outdoors sealed from rainwater intrusion?			
Are outside areas clean and free from spilled liquids, trash, and other storm water pollutants?			
Are hazardous wastes properly stored and free from damage or leaks?			
COMPRESSED GAS CYLINDERS	ASSIGNED TO	DATE	COMMENTS
Are gas cylinders properly labeled?			N/A
Are valve covers available and secure?			
Are incompatible gases properly stored 25 feet apart?			
Are the cylinders stored upright and secured with a rigid restraint $\frac{3}{4}$ of the way down from the top of the tank.			

HAZARD COMMUNICATION	ASSIGNED TO	DATE	COMMENTS
Verify MSDS inventory is consistent with products on-site	DF	3/25/2011	Posted in custodial / roof access area by Kitchen
Are MSDSs available for chemicals used or stored?	DF	3/25/2011	Unknown
Are chemicals properly stored and labeled including the mfg. name, product name, and hazard warning?			Not inspected at this time
Is an eyewash unit available within 100 feet of toxic and corrosive substances?			N/A
ASBESTOS AND HAZARDOUS MATERIALS	ASSIGNED TO	DATE	COMMENTS
Review records documentation to ensure that the periodic asbestos inspections are taking place			N/A
Do a spot inspection of the building to make sure that items are properly labeled, in tact, and free from damage	DF	3/25/2011	All in good condition

C.1.5. Electrical

PUBLIC UTILITY TERMINATION	ASSIGNED TO	DATE	COMMENTS
Confirm point of public utility termination			
Visually inspect for:	--	--	--
Overall condition	DF	3/25/2011	Fine
Signs of overheating	DF	3/25/2011	Units not unusually hot
Evidence of leaking	DF	3/25/2011	None noted
Unusual noise	DF	3/25/2011	Noise not unusual
Check for encroachment of vegetation or debris			None
SWITCHGEAR	ASSIGNED TO	DATE	COMMENTS
Check labeling	DF	3/25/2011	Present
Visually inspect for signs of physical damage or overheating	DF	3/25/2011	No damage noted
Check for unusual noise or overheating	DF	3/25/2011	Heat and noise at acceptable levels

Check for accumulation of dirt or debris	DF	3/25/2011	None noted
Obtain PM records and review last annual maintenance and last time connections were torqued			Not inspected at this time
TRANSFORMERS	ASSIGNED TO	DATE	COMMENTS
Check for:	--	--	--
Cleanliness	DF	3/25/2011	Areas clear and clean
Air circulation for cooling		12/10/2010	No exceptions noted
Signs of leaking	DF	3/25/2011	None noted
Overheating	DF	3/25/2011	Not hot to touch
DISTRIBUTION PANELS	ASSIGNED TO	DATE	COMMENTS
Check that circuit breakers are labeled	DF	3/25/2011	Panels well labeled, and schedules current
Make sure empty spaces have blanks	DF	3/25/2011	Blanks are covered
Check for:	--	--	--
Cleanliness	DF	3/25/2011	All panels are clean
Noise	DF	3/25/2011	No unusual noises noted
Overheating	DF	3/25/2011	Panels and breakers are not hot
ENERGY USAGE	ASSIGNED TO	DATE	COMMENTS
Perform an energy walkthrough, noting potential savings			

C.1.6. Site Improvements

LANDSCAPING	ASSIGNED TO	DATE	COMMENTS
Tour the site and evaluate overall landscaping	DF	3/25/2011	Landscaping in good condition, some grass areas have patches missing, looks usual for location and type of activities in the area
Check for signs of:	--	--	--
Erosion	DF	3/25/2011	None noted
Pests	DF	3/25/2011	Did not see signs of pests. No pest program noted
Check condition of planters/barriers	DF	3/25/2011	Gardens and trees in good condition
PAVEMENTS	ASSIGNED TO	DATE	COMMENTS
Walk parking lots and roadways	DF	3/25/2011	In good condition, ample parking
Note overall condition of:	--	--	--
Pavements	DF	3/25/2011	In good condition
Sidewalks	DF	3/25/2011	In good condition
Curb and gutter	DF	3/25/2011	In good condition
Check catch basins and drainage structures for debris or signs of backing up	DF	3/25/2011	In good condition
Check manholes for integrity			N/A
Identify property limits	DF	3/25/2011	Back parking area opens on a school
EXTERIOR LIGHTING	ASSIGNED TO	DATE	COMMENTS
Check light posts for plumb and overall integrity	DF	3/25/2011	Posts in good condition
Perform night check of lights for proper operation and adequate coverage			Will verify at night
Check vegetation for blocking lighting or lines of sight	DF	3/25/2011	Trees clear of light poles

BARRIERS AND FENCING	ASSIGNED TO	DATE	COMMENTS
Physically inspect fences, gates, vehicle barriers for proper operation or damage	DF	3/25/2011	Fence to school area in good condition
Walk perimeter fence and note any damage or excessive wear	DF	3/25/2011	None noted, gates in good condition
Check for low spots or gaps that would compromise fence integrity	DF	3/25/2011	No low spots noted
STAIRWAYS AND ENTRANCES	ASSIGNED TO	DATE	COMMENTS
Inspect stairways and entrances for trip hazards and overall integrity	DF	3/25/2011	Trip hazard in front steps at tower
Inspect stairs for the condition of guardrails, handrails, and midrails	DF	3/25/2011	In good condition
Verify stairwells are well lit and emergency lighting is available	DF	3/25/2011	Stairwells lit, unknown if on emergency system

