



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Kim Walesh
Jennifer A. Maguire

SUBJECT: APPROPRIATION ACTIONS FOR
VARIOUS OFFICE OF CULTURAL
AFFAIRS GRANTS AND CONTRACTS

DATE: November 21, 2011

Approved

Date

12/1/11

RECOMMENDATION

It is recommended that the Council adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund for 2011-2012:

- a) Establish a city-wide appropriation to the Office of Economic Development for Cultural Affairs Special Projects in the amount of \$386,500;
- b) Increase the estimate for Revenue from the Federal Government in the amount of \$294,000;
- c) Increase the estimate for Other Revenue in the amount of \$60,000; and
- d) Increase the estimate for Revenue from Local Agencies in the amount of \$32,500.

OUTCOME

Establishing a city-wide appropriation for Cultural Affairs Special Projects will enable the Office of Cultural Affairs (OCA) to advance cultural development activities; support efforts that reinforce Downtown San José as Silicon Valley's cultural center through the development of public art and support interpretive artwork for the Alum Rock Cultural History Corridor; and receive pass-through funds to strengthen the cultural sector through an action plan for expanded news coverage of the arts and through grants to nonprofit art organizations.

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BACKGROUND

OCA, a division of the Office of Economic Development, has aggressively pursued revenue development strategies in the form of grants, sponsorships and partnerships to support San José's cultural development goals and priorities.

ANALYSIS

OCA has recently been awarded four grants from the National Endowment for the Arts (NEA) and The David and Lucile Packard Foundation and has also been awarded consulting contracts from the City of Capitola and Montalvo Art Center. Funds from these grants will support the goals of *Cultural Connection: San José's Cultural Plan for 2011-2020* and foster a vibrant cultural sector in San José. These grants and consulting contracts will help the OCA expand cultural art projects for the City of San José while retaining key staff.

Funds have been awarded for three grants from the NEA in the amounts of \$250,000 for an "Our Town" grant, \$20,000 for an "Excellence in the Arts" grant, and \$24,000 for an NEA/Knight Foundation Community Arts Journalism grant. The Our Town grant, a partnership between the Office of Cultural Affairs and ZER01: The Art and Technology Network, will support the development of a program entitled "Silicon Valley Inside/Out," a series of temporary artworks in the downtown that use technologies developed in Silicon Valley. Of this \$250,000 grant, \$50,000 will be used to fund public art staff costs. The Our Town grant will support the implementation of priority projects growing from *Downtown NEXT!*, the public art focus plan for Downtown San José. The projects in Silicon Valley Inside/Out will focus on SoFA, reinforcing its importance as Downtown's arts district and strengthening the experience of people visiting the McEnery Convention Center.

The Excellence in the Arts grant will enhance projects being developed as part of the Alum Rock Cultural History Corridor, a project that ties together key sites where events of social, historical and cultural significance have taken place. The Alum Rock Cultural History Corridor project includes the recently completed Cultivating Community project at King and Story Road, a tribute to Latino artists at the Mexican Heritage Plaza, and incorporates key elements of the Cesar Chavez walk. The Excellence in the Arts grant will support interpretive elements, including a podcast and a webpage that describe the stories of diverse communities within the Alum Rock/Mayfair neighborhood, encompassing the Alum Rock Cultural History Corridor.

For the \$24,000 NEA/Knight Foundation Community Arts Journalism grant, a not to exceed amount of \$21,500 will pass-through to The Bay Citizen to develop a business plan for its three-part proposal which features: a) a mapping component that will visually highlight arts events happening in San José; b) a mobile app that will allow residents and visitors to add comments, reviews and images of these arts events; and c) a series of investigative reports about trends in philanthropic giving to the arts in Silicon Valley. Of this grant, \$2,500 will be support OCA project administrative costs such as supplies and outreach and staffing. Upon completion of the

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business plan, The Bay Citizen will compete with four other Community Arts Journalism finalists for an \$80,000 implementation. If funded for implementation, the final project will enhance awareness of San José's local arts scene and provide a new social media platform for San José and Silicon Valley.

The David and Lucile Packard Foundation has awarded a grant in the amount of \$60,000 to the City to: 1) launch a new Innovation Risk Capital Grant Initiative to implement the lessons from the New Pathways for the Arts innovation in arts management program currently offered through the OCA to 15 San José arts organizations and 2) develop a publication on New Pathways for the Arts. Funding from The David and Lucile Packard Foundation will enhance support to San José's nonprofit arts sector and stimulate innovative arts management practices and improve arts organizations' adaptive capacities. A goal of the Council-adopted *Cultural Connection* is to strengthen the cultural community's infrastructure. A key strategy to achieve this goal is to develop an innovation in arts management initiative.

The two consulting contracts with City of Capitola and Montalvo Arts Center provide expertise that has been honed in San José's Public Art Program to enhance the region and help San José to retain skilled public art project management staff. The resulting additional revenues that are being recognized include a \$20,000 contract with the City of Capitola for OCA to manage the artist selection and design process for a \$200,000 streetscape public art project in that city; and \$12,500 with Montalvo Art Center for the Public Art Program to manage a visioning process for Montalvo Art Center's Sculpture on the Grounds program. These project management contract funds, a total of \$32,500, will be used to fund public art staff costs associated with project management services.

EVALUATION AND FOLLOW UP

The projects developed with the NEA funds will require detailed follow up and reporting.

PUBLIC OUTREACH

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

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While this action does not meet any of the above Criteria, this memorandum will be posted on the City's website for the December 13, 2011 Council Agenda.

COORDINATION

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

FISCAL/POLICY ALIGNMENT

These projects align with the City's economic development and cultural development goals of:

- Advancing Downtown San José as Silicon Valley's cultural center;
- Promoting high impact public art and urban design;
- Strengthen community-wide marketing and audience engagement;
- Strengthen the cultural community's infrastructure; and
- Increase funding for cultural development.

COST SUMMARY/IMPLICATIONS

The increase in OCA revenues will allow the OCA to leverage its City resources to expand its cultural development priorities.

BUDGET REFERENCE

The table below identifies the funds and appropriation proposed to fund the contract recommended as part of this memo.

Fund #	Appn #	Appn. Name	RC #	Total Appn.	2011-2012 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
001	TBD	Cultural Affairs Special Projects*	TBD	\$386,500	N/A	N/A

* Funds for this appropriation are recommended to be recognized as part of this memorandum.

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CEQA

CEQA: Not a Project, File No. PP10-067(b), Appropriation Ordinance.

/s/

KIM WALESH
Director of Economic Development
Chief Strategist



JENNIFER A. MAGUIRE
Budget Director

I hereby certify that there will be available for appropriation in the General Fund in the fiscal year 2011-2012 monies in excess of those heretofore appropriated there from, said excess at least \$386,500.



JENNIFER A. MAGUIRE
Budget Director

For questions, please contact Kerry Adams Hapner, Director of Cultural Affairs, at 793-4333.