

**SJSU** SAN JOSÉ STATE  
UNIVERSITY



**REQUEST FOR INTEREST**  
**HAMMER THEATRE CENTER**

Primary Contact: Dr. Stacy Gleixner  
Chief of Staff  
San José State University  
One Washington Square  
San José, CA 95192  
[www.sjsu.edu](http://www.sjsu.edu)  
[Stacy.Gleixner@Sjsu.edu](mailto:Stacy.Gleixner@Sjsu.edu)  
408-924-1177

## A. Executive Summary

### Values

San José State University (SJSU) is exploring the possibility of entering into an agreement with the City of San José to operate or co-operate the Hammer Theatre. This possibility promises to expand the reach of arts and educational programming into downtown while also providing a framework for a dynamic collaboration with the city.

SJSU has undertaken this exploration in the spirit of collaboration with the city and with the health and vibrancy of our downtown in mind. We believe that San José and the university:

- Benefit from high-quality, diversified cultural programming downtown;
- Suffer when an important performance and cultural landmark such as the Hammer Theatre is left vacant;
- Have the potential to work together to create a vibrant collaborative model that could activate the downtown economic and cultural corridors surrounding the Hammer and the university.

### Vision

SJSU is committed to the following goals in our exploration of Hammer Theatre operations:

- Create a framework that allows the Hammer Theatre to be maximally activated throughout the year;
- Activate the downtown economic corridors surrounding the Hammer Theatre and connecting the theater to the university;
- Diversify the programming available in downtown San José;
- Raise the profile of the city and the university as public entities committed to high-quality, high-impact arts and culture programming;
- Develop an economically sustainable model for operating the Hammer Theatre, which likely will involve tiered rentals pricing to include market rate rentals as well as a discounted rental rate for non-profit, non-instructional use.

We look forward to conversations with the City of San José as well as other potential partners as we continue to engage in analyses and discussions about a sustainable, vibrant model for the Hammer Theatre.

## **B. Operational Structure and Governance**

San José State is a major, comprehensive public university located in the center of San José and in the heart of Silicon Valley. Founded in 1857, SJSU is the oldest state university in California. Its distinctive character has been forged by its long history, by its location, and by its vision, a blend of the old and the new, of the traditional and the innovative. Among its most prized traditions is an uncompromising commitment to offer access to higher education to all persons who meet the criteria for admission, yielding a stimulating mix of age groups, cultures, and economic backgrounds for teaching, learning, and research. SJSU takes pride in and is firmly committed to teaching and learning, with a faculty that is active in scholarship, research, technological innovation, community service, and the arts. SJSU offers bachelors and masters degrees in 134 areas of study to more than 30,000 undergraduate and graduate students in seven colleges. As one of the 23 campuses within the CSU system, SJSU is a leader in high-quality, accessible, student-focused higher education. Currently, SJSU is ranked as the sixth most ethnically diverse institution for Master's degree conferring institutions in the West by *U.S. News & World Report*. The demographics of our student population map the diversity of Santa Clara county. SJSU has federal designations as an Asian American/Native American/Pacific Islander serving institution (AANAPISI) and a Hispanic service institution (HSI).

## **C. Experience and Qualifications**

SJSU has extensive experience in facilities operation, including the operation of multiple theaters and performance venues. The university has staff to manage both performance venues and event services. However, our current staff is at full capacity managing on campus venues. Should SJSU move forward in a partnership to operate the Hammer Theatre, SJSU will create a new staffing structure to manage the Hammer Theatre or enter into agreement with another partner for some portion of events production staffing. This team would include production staff, facilities management staff, and marketing. The support of this staff would need to be covered in the operating budget of the theater.

## **D. Business Plan Outline**

### **Programming, including a rental program**

Facilitated by WolfBrown Consulting, SJSU engaged its campus community in a discussion about how they envisioned using the facility for mission driven programming. The full report is attached in Appendix A. The report categorized the potential uses for SJSU into the following categories:

- Performance (public and non-public)
- Events (public and non-public)

- Instructional
- Ancillary Space Uses

A diverse range of possible programming and events came out of that campus discussion. Some of the possible programming include:

- Performances linked to our curriculum: Examples of these would include culminating student performances in the theater arts, music, dance, and film. There were also a large number of demands outside of traditional arts including social science plays, guest lectures across all disciplines, and technology events such as gaming and robotics competitions. Many of these performances would be open to the public, and many would be hosted during off-times of professional theater (such as lunchtime on a weekday or a mid-week evening).
- Cultural performances from student organizations: SJSU has over 400 student organizations, many of them representing the culture of our diverse student background. One example cited in the attached report is SJSU's Grupo Folklorico Luna De Sol which stages major dance performances several times a year. Many of these cultural performances would be open to the public, and some would also involve the opportunity for the public to engage in the event.
- Community outreach and educational events: SJSU hosts a range of camps for children and teacher training events in the arts and technology that could be expanded through the use of this venue. The expansion would allow for an increase in community engagement in the arts and technology.
- SJSU community building events: The Hammer Theatre provides an excellent venue to break down the barrier between SJSU and the downtown. While many of the events in the categories above would be open to the public, the theater would also be an excellent place to host events for the sole purpose of SJSU engaging the public, such as alumni and donor galas.
- SJSU ceremonies: SJSU anticipates using the facility for some ceremonial aspects of the university such as graduations and award ceremonies. While these events would not be open to the general public, they would bring significant numbers of people into the downtown region at times when that economic corridor is not particularly active (i.e. weeknights).

While instructional use was identified as a category in the WolfBrown utilization report, given the complexities of scheduling performances to run concurrently with lectures, SJSU will not be scheduling traditional lectures at the Hammer Theatre.

SJSU also envisions the use of the theater by other entities with a tiered rental structure:

- Market rate rental of the facilities for performance level arts and culture events;
- Discounted access for non-profits with a focus on ensuring programming highlighting the diversity of Santa Clara county;
- Further discounted access for partners that are engaging with our students in the educational mission such as hosting workshops for students or integrating students into the production.

## **Marketing and audience development activities**

Marketing for SJSU events and performances on our campus is currently done in a dispersed nature, handled by the department organizing the event. There is a variety of marketing strategies, community engagement, and ticket sales methods utilized. In order for the Hammer Theatre to be successful, a new staff position would be created who would be dedicated to marketing both the SJSU and partner events at the theater. The creation of this position will be critical in realizing the shared value of the community engaging the in arts and culture events at the theater and SJSU engaging with the community in the downtown.

## **Routine and Preventative Facility and Maintenance activity schedule**

See Appendix B for a SJSU Facilities Preventative Policy

See Appendix C for a sample SJSU Facilities Preventative Maintenance Schedule

## **Proposed length of O&M Agreement**

The proposed term length is five (5) years commencing on August 1, 2015 and expiring on July 31, 2020. This Agreement may be renewed at the discretion of the City of San Jose with 180 days written notice prior to the expiration of the then current term for two (2) additional successive terms of five (5) years each. SJSU shall have thirty (30) days to reject a renewal. The renewal shall be on the same terms and conditions as set forth herein.

## **Detailed budget for the first 3 years of the agreement**

The WolfBrown utilization study in Appendix A details very high potential utilization from the SJSU community. The utilization report addressed only SJSU uses for the space with only anecdotal information on potential community uses. It is expected that the building will be made available to the public for performances as well as events. The goal for SJSU would be to develop an economically sustainable model for operating the Hammer Theatre, which likely will involve tiered rental pricing to include market rate rentals as well as a discounted rental rate for non-profit use.

**Utilization Estimates based on probable scores using low estimate for only highly likely uses**

Category	Year 1	Year 2	Year 3
SJSU Performances	24	121	121
SJSU Public Performances	17	85	85
SJSU Events	11	54	54
SJSU Public Events	14	69	69
<b>Total</b>	<b>66</b>	<b>329</b>	<b>329</b>

Category	Year 1	Year 2	Year 3
SJSU Performances	37%	37%	37%
SJSU Public Performances	26%	26%	26%
SJSU Events	16%	16%	16%
SJSU Public Events	21%	21%	21%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

The percentage of utilization is derived from the low estimate with high probably weight in the WolfBrown utilization report. Year 1 is assumed to only achieve 20% of the utilization identified for Year 2 & 3.

These categories will be used to drive the proportional share of the operating costs that will be borne by SJSU as well as to derive the required revenue generation from non-SJSU uses. At this point, more information regarding potential rentals for both market rate and non-profit users is necessary in order to develop the tiered rental rates as well as revenue estimations.

Regarding operating expenditures, refer to Appendix D for preliminary operating expenses for the first three years of operations. Assumptions included in the budget are as follows;

- City Grant of \$285,000 will be provided to San José State for a minimum of 3 years to assist with the infrastructure improvements.
- SJSU will be responsible for all operations of the facilities including utility costs, equipment, insurance, etc..

- SJSU will be permitted to hire either permanent staff or contracted services for operations and maintenance of the facility as per our collective bargaining agreements.

Regarding the wage requirements identified by the City, as the CSU is a system-wide Public Higher Education entity, the wages for all positions supporting this facility will be governed by the CSU Collective Bargaining Agreements, Management Personnel Plan and State and local minimum wage requirements.

Regarding a timeline for implementation, following acceptance of SJSU's submittal and prior to final negotiations, SJSU would need access to the facility to conduct a comprehensive facilities assessment. Once negotiations are completed, SJSU can be in a position to proceed with a lease agreement immediately. As for implementation of programming, SJSU theater performances will need to be modified for the Hammer Theatre and as such will require a year to a year and a half. However, other events can be hosted in the Hammer Theatre as soon as any required facilities improvements are completed.

### **E. Programming**

We envision a mix of programming that includes performing, visual, and literary arts events as well as educational events such as Arts and Letters series, Creative Economy Speaker Series, Innovation Competitions, and other industry-city-university-non-profit partnership events. This vision encompasses university as well as community-based and professional programming. For the university, we envision moving some of our current programming to the Hammer Theatre to help activate the downtown economic and cultural corridors impacted by the Hammer more effectively. In a basic sense, Hammer offers the opportunity for the university to extend reach into the community, activate currently unstable economic corridors, and start to build audience for diverse arts, cultural, and educational programming.

We envision much more than merely transporting some of our current and planned programming to the Hammer, as this is an opportunity that promises to take arts and culture partnerships to the next level in downtown San José. Specifically, with the university as a co-operator with the city, Hammer programming could be selected under the auspices of a university-city-community partnership advisory committee. The model would have to create an economically sustainable plan for operating the Hammer Theatre. In our current considerations, we believe that the model likely will need to involve tiered rentals pricing to include market rate rentals as well as a discounted rental rate for non-profit, non-instructional use. For marketing and publicity frameworks, we would be well positioned to implement the findings of the recent Building Public Will for the Arts initiative undertaken nationwide with an over-sampling in San José.

Moreover, in alignment with the city’s “Cultural Connection” document, guiding principles will include considerations of program quality, diversity, cultural heritage and pluralism, and an emphasis on the public value of the arts as a means of economically and culturally enlivening the downtown and the broader region. The advisory committee model also will allow the city and the university to bring a networking platform to connect industry partnerships to arts and culture organizations in a way that promises to enable more participation, connectivity, and creativity across sectors and throughout the city.

## F. Financial Documents

There is an annual Financial Audit that is conducted for the CSU that includes San Jose State. This audit covers the complete financial portfolio for the University inclusive of all funds. The CSU audited financial statements can be found at:

[http://www.calstate.edu/SFSR/GAAP/financial\\_statements.shtml](http://www.calstate.edu/SFSR/GAAP/financial_statements.shtml)

## G. References

Below, in alphabetical order, are the members of the SJSU community who actively participated in shaping SJSU’s vision for the Hammer Theatre through the WolfBrown utilization study.

Brown, Chris, Associate VP, Facility Dev. and Ops.  
Busalacchi, Cathy, Executive Director, Student Union  
Chai, David, Associate Professor, Design  
Chin, Elaine, Dean, College of Education  
Cohen, Fred, Director, School of Music and Dance  
Crump, Michael, Associate Director, Student Involvement (representative)  
Dallas, Barnaby, Head of SJSU Film and Theatre Productions  
Jaehne, Dennis, AVP Und Stud/Interim Dep Prov  
Kahn, David, Chair, TV, Radio, Film & Theatre  
Marshall, Tayler, Student Engagement Coordinator  
McNamara, Paul, Foundation Giving Officer, Advancement  
Meredith, Will, Prof. in Music & Dance, Director of Beethoven Center  
Miller, Shannon, Chair, Department of English and Comparative Literature  
Pamela Richardson, Assoc. Dean, College of Applied Arts & Sciences  
Parrish, Michael, Dean, College of Science  
Rhee, Jinny, Associate Dean, College of Engineering  
Riley, Shannon Rose, Incoming Chair, Department of Humanities  
Roldan, Malu, Associate Dean, College of Business  
Sanchez, Itza, Student Affairs/Artistic Director for Grupo Folklorico Luna y Sol  
Spangler, Matthew, Assoc Prof. of Communication Studies  
Taylor, Nick, Director, Martha Heasley Cox Center for Steinbeck Studies  
Trulio, Lynne, Assoc. Dean, College of Social Science

Vollendorf, Lisa, Dean, College of Humanities and the Arts  
Yen, Tsu-Hong and Kate Sullivan, Department of Hospitality