

## MEXICAN HERITAGE PLAZA

### Steering Committee Meeting #9

1 February 2011

5:30 to 8:30 p.m.

#### I. Housekeeping

- Castellano Family Foundation grant of \$15,000 received
- The Steering Committee voted on what percentage to go towards administrative fees for the Hispanic Foundation. MOU states that administrative fees should be between 5-10%, committee members agreed on a 5% fee with a unanimous vote.
- Current use of the Plaza by the San Antonio School (Alum Rock Union Elementary School District) continues successfully. School kids will remain at the Plaza until June 2011 when the school year ends.

#### II. Presentations

- Financial Modeling Team Report: Chris Esparza, Committee Chair, gave a report on the Financial Modeling Retreat. The goal of the retreat was to bring practitioners together to inform the financial model for the future school of arts and culture at the Mexican Heritage Plaza. The primary objective was to further develop the proposed budget for the future organization. In that exercise, the group was asked to challenge assumptions and to approach the dialogue in a spirit of questioning.
- Attendees of the retreat represented the fields of facility management, community schools, community-based programs, Latino cultural centers, Chicano theatre & children's theatre. The conversation provided a space for the leaders of organizations such as Teatro Vision and Children's Musical Theatre to consider potential partnerships for activating the Plaza as a school of arts and culture.
- The retreat group discussed the unique nature of the buildings in that the Plaza is more than just functional, it is also a destination. Former Facility Manager confirmed that the Plaza is in excellent condition.

### Activation of Spaces Discussion

- 1) Theatre + backstage areas: Performance/possible instructional space
  - 2) Pavilion/Plaza: Community convening space
  - 3) Classroom wing: Education and curriculum (now a DSA approved education facility, public school children can be educated here legally)
- The retreat team discussed how the Plaza spaces could be utilized to their maximum use during different times of the day. Group agreed that sustainability comes from focusing on the core mission of classes. Plaza activation events and rentals are secondary but vital.
  - Given the City's financial challenges, the retreat team continue to expect a reasonable City investment that declines over time. The group discussed the need to build to succeed. A non-profit operator needs to come to the table with other funders so the City is not alone in supporting the facility.
  - Leadership model: 3 key areas of a new organization
    - 1) External relationship: Fundraising/community outreach
    - 2) School/programming: Implementation of core mission
    - 3) Management of assets: Physical space maintenance/operations & events
  - It was agreed by the group that in the future, a new organization should take full ownership, separate from the City, to operate the School with its own vision and independent 501 c (3). The City would continue to play a role with an annual investment and as landlord, while the new entity manages all aspects of administration and implementation of programs.
  - Since the financial modeling retreat, work continues on identifying the real costs associated with maintaining and operating the building based on historic expenditures. A clear understanding of fixed (ie. preventative maintenance) vs. variable (ie. corrective maintenance) provides a realistic picture of what a non-profit operator would be taking on in facility related expenses.

- Prototyping Team Report: Erin Goodwin-Guerrero, Prototyping Team Co-Chair, introduced a visual representation of the team's work over the past 6 months.  
This includes:
  - Site visit research at other Bay Area sites, RFP development and selection guidelines, Guiding Principles, Alum Rock School District Relationship, and focus groups for arts organizations and providers, individual artist instructors, and the community.
  - Erin discussed that the possibility of seeing kids of all ages learning art, music, etc. together, instead of being isolated by age groups and grades.
  
- Jeffrey Walker, former Executive Director of Mountain View's Community School of Music and Arts discussed the layout of the RFP draft for Summer programming. The RFP includes the history, vision, background, and the details of submitting a proposal. He mentioned the effort demonstrates an important transitional Summer program toward the goal of implementing full programming in the community schools model.
  
- Maria de la Rosa, Prototyping Team Co-Chair, talked about the guiding principles and taking a community learning approach instead of the conservatory model. The Guiding Principles will be used to inform the selection of proposals.
  
- Fundraising Team Report: Connie discussed the region wide initiative for children engaging in arts and creativity and 20 conversations that have been started as to how the MHP to 5 RFPs. Connie outlined the primary concerns of potential funders:
  1. What is the City's commitment to MHP?
  2. Who's in charge?
  3. Is the community behind us and are they willing to invest in us?

### **III. Conclusions from team reports**

- Financial Modeling Conclusions: Chris talked about the need for a non profit leader to turn things around and develop a new leadership model. The polishing of a model needs to be in conjunction with the people who will actually be running the space. Funders want to know where the

support is to fund the plaza, is the community behind us? The committee discussed the possibility of having 1<sup>st</sup> ACT Silicon Valley step in but not as a long term solution. 1<sup>st</sup>ACT can act as an incubator / operator until a permanent organization is developed.

- Moy Eng provided two clarifying questions for the group to consider:
  - 1.) What is the best nonprofit organization to incubate a vibrant arts school at MHP? Who is the most interested and apt intermediary to bring together the following elements for this initial phase of the school of arts and culture?
    - Raise initial funding?
    - Complete program framework and budgeting for 18 months-3 years?
    - Hire initial school director/team?
    - Create a business plan (financial model)?
  - 2.) What is the best nonprofit organization to fully develop a business plan in the initial phase? Ask 1stACT to consider taking this on? Steering Committee members pull together a candidate list for the next meeting.
- The Committee discussed asking 1stACT to take on the role, however Connie Martinez was reluctant to respond without a clear understanding of the scope of work, approval of her board and full support of the Committee.
- Committee members decided that a document would need to be prepared that defines the scope of the work and specific tasks during this initial phase and the role of the incubating organization. The document would be reviewed and approved at a follow-up Steering Committee meeting on Feb. 15<sup>th</sup>.
- Committee members discussed whether an RFP might be necessary to identify an interim incubating organization. Peter Jensen, City of San Jose Public Works Department, mentioned the possibility of council agreement for a sole source alternative for selection of an incubator, should the Committee make a recommendation for a specific organization to take on the role.

#### **IV. VTA Item**

- Danny Garza presented on VTA's plans for a BRT bus stop in front of the MHP. Danny requested that the committee support the need for the design of the bus stop to reflect the Plaza. The committee was generally in agreement with the request and several committee members said that the VTA plan is not yet a finished product and that the Committee can still advocate for an appropriate design.

#### **V. Next Steps**

- A subcommittee will be formed to prepare the document describing the scope of work for the incubator.
- Next Meeting will be Feb. 15<sup>th</sup>
- The Committee voted and approved recommending a non-profit interim operator, the details to be described in a document to be prepared by the financial modeling group with the assistance of staff.
- The Committee approved the RFP for Summer programming and the Guiding Principles

#### **VI. Audience Comments**

- A community member raised the question "If we don't know the budget, how can we even plan a project/proposal"?
- A community member commented on naming the summer program a "camp" and whether that takes away from the intention to provide high-quality arts programming in the new model. Also in reference to the RFP and Guiding Principles, the community member talked about the importance of Spanish speaking instructors.
- A community member talked about the Mexican Heritage Corporation's efforts to fundraise for in-school music education programs.