



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Kim Welsh

**SUBJECT: PROPOSED 2017-2018 TRANSIENT  
OCCUPANCY TAX FUNDED ARTS  
AND CULTURAL DEVELOPMENT  
GRANTS**

**DATE:** May 23, 2017

Approved

Date

5/23/17

## RECOMMENDATION

Approve the proposed 2017-2018 funding allocations for Transient Occupancy Tax (TOT) funded arts and cultural grant awards for a total amount of \$4,227,759.

## BACKGROUND

Fifteen percent (15%) of the collected TOT is used to fund cultural arts grants and the Office of Cultural Affairs (OCA) in the Office of Economic Development. Per the Municipal Code, allowable uses are arts programs and arts grants, and OCA operating costs (staff and administration). Each year, grant awards are recommended based on projected TOT and a competitive application-based peer review process. The purpose of this memorandum is to outline the recommended grant awards in the 2017-2018 *Cultural Funding Portfolio: Investments in Art, Creativity and Culture*.

## ANALYSIS

Each year, in tandem with the development of the Proposed Operating Budget, the OCA develops recommendations for the allocations of TOT funds for arts and cultural development programs and services. Programs and services are prioritized based on available funding and cultural development funding priorities. Among the most significant of the core grant programs that comprise the *Cultural Funding Portfolio: Investments in Art, Creativity and Culture* are: Operating Grants; Festival, Parade and Celebration Grants; *take pART* Grants; and *Capitalization and Stabilization* Grants. Cultural arts grants awarded to arts and community-based organizations enhance the cultural vitality of San Jose and contribute to its continued economic development.

### ***Cultural Development Funding Priorities***

Grant investments are aligned with the goals of the Council-adopted *Cultural Connection: San Jose's Cultural Plan for 2011-2020*.

*Cultural Connection* strategic goals include:

- Support residents' active, personal participation in arts and culture;
- Support the availability of diverse cultural spaces and places throughout the community;
- Strengthen Downtown San Jose as the creative and urban center of the Silicon Valley;
- Integrate high impact public art and design throughout the community;
- Expand residents' access to arts and cultural learning opportunities;
- Foster destination quality events in San Jose;
- Strengthen community-wide marketing and audience engagement;
- Enhance support for creative entrepreneurs and the commercial creative sector;
- Strengthen the cultural community's infrastructure; and
- Increase funding for cultural development.

### ***Recommended Grant Awards for the Cultural Funding Portfolio***

A key strategy to advance the goals of *Cultural Connection* is through partnerships and grant agreements with community-based organizations. *Cultural Funding Portfolio: Investments in Art, Creativity and Culture* is comprised of grants across core grant programs aimed at promoting cultural vibrancy, cultural diversity, and economic development in San Jose.

- Operating Grants provide financial support for selected San Jose arts organizations of various disciplines, sizes and stages of development.
- Festival, Parade & Celebration Grants enable access for all City residents to a wide range of diverse cultural events, large and small. These events are often held in public spaces and are always open to the public.
- take pART Grants support specific arts activities offered by volunteer-driven arts organizations, community service organizations, and very small semi-professional and professional arts organizations.
- Capitalization and Sustainability Grants supports activities of nonprofit art organizations that will increase their working financial capital and promote fiscal soundness.

Annually, the OCA releases Council-adopted guidelines and criteria for its grant programs that comprise the Cultural Funding Portfolio. Notices of the grant opportunities are publicized through multiple channels including the OCA's website, OCA's contact list, and in several local newspapers published in English, Spanish and Vietnamese. Each spring, peer review panels evaluate and score applications based on the guidelines and criteria. Peer review panels are comprised of a diverse mix of Arts Commissioners, multidisciplinary nonprofit arts and culture professionals, and community representatives. The peer review panels' recommendations are forwarded to the Arts Commission for review in May, and then the recommended grants are integrated into the City's proposed operating budget for the next fiscal year.

May 23, 2017

**Subject: Proposed 2017-2018 Transient Occupancy Tax Funded Arts and Cultural Development Grants**

Page 3

In the 2017-2018 Proposed Operating Budget, the recommended grant awards total \$4,227,759 of the \$5,310,261 budgeted for Cultural Grants. The remaining funds are allocated to operating costs, arts and cultural development programs, initiatives, and services.

The recommended grants include:

- Thirty (30) Operating Grant awards in the amount of \$3,001,089;
- Thirty-seven (37) Festival, Parade & Celebration Grant awards in the amount of \$524,783;
- Three (3) Fourth of July Celebration Grants in the amount of \$70,000;
- Thirty (30) *take pART* Grant awards in the amount of \$309,387;
- Five (5) Capitalization and Sustainability grants in the amount of \$200,000;
- Fifteen (15) Creating Connection / Technical Assistance Grants in the amount of \$120,000; and
- One (1) other grant for San Jose Jazz – Jazz Week in the amount of \$2,500.

In addition to the TOT-funded grants, the 2017-2018 Proposed Budget includes a two-year grant in the amount of \$100,000 for Cinequest funded by the General Fund Cultural Facilities Capital Maintenance Reserve as directed in the Council-approved Mayor's March Budget Fiscal for Fiscal Year 2017-2018.

### ***Arts Commission Recommendation***

At the May 15, 2017 meeting, the Arts Commission reviewed the proposed 2017-2018 funding allocations for Arts and Cultural Development Programs and Services, including recommended grants. The Arts Commission recommended that the City Council approve the recommended 2017-2018 grant awards. The Commission also recommended that the City Council seek to identify an alternative funding source for the three Fourth of July Celebration Grants in the amount of \$70,000 rather than the OCA TOT, but if Council does not, that the three grants be funded through OCA TOT.

Upon Council approval of these grants, grant agreements with the respective organizations will be developed.

/s/

KIM WALESH  
Deputy City Manager  
Director of Economic Development

For more information, please contact Kerry Adams Hapner, Director of Cultural Affairs, at (408) 793-4333.

Attachment: Proposed 2017-2018 Arts and Cultural Grants Recommendations

## Proposed 2017-2018 Arts and Cultural Grants Recommendations

<b>Operating Grants</b>	<b>Grant Amount</b>
Abhinaya Dance Company of San Jose	\$42,250
Aimusic School	\$47,716
Bay Area Glass Institute	\$73,663
Children's Discovery Museum of San Jose	\$230,544
Children's Musical Theater San Jose	\$192,030
Chinese Performing Arts of America	\$81,855
Cinequest Film Festival	\$140,240
City Lights Theater Company of San Jose	\$82,475
Kaisahan of San Jose Dance Company	\$32,668
MACLA/Movimiento de Arte y Cultura Latino Am	\$97,436
Opera San Jose	\$278,214
San Jose Chamber Orchestra	\$51,820
San Jose Institute of Contemporary Art	\$94,924
San Jose Jazz	\$172,397
San Jose Multicultural Artists Guild	\$19,690
San Jose Museum of Art	\$286,108
San Jose Museum of Quilts & Textiles	\$74,908
San Jose Stage Company	\$115,919
San Jose Symphonic Choir	\$21,883
San Jose Taiko	\$72,739
San Jose Youth Symphony	\$82,281
School of Arts and Culture at MHP	\$146,809
Silicon Valley Shakespeare	\$28,683
sjDANCEco	\$21,829
Starting Arts	\$92,262
Steinway Society - The Bay Area	\$19,588
Symphony Silicon Valley	\$242,327
The Tabard Theatre Company	\$71,644
Vivace Youth Chorus	\$31,874
Zero1	\$54,313
<b>Total Operating Grants Proposed:</b>	<b>\$3,001,089</b>

## Proposed 2017-2018 Arts and Cultural Grants Recommendations

<b>Festival, Parade and Celebration (FPC) Grants</b>	<b>Grant Amount</b>
AIMusic International Festival	\$10,921
Almaden Art & Wine Festival	\$13,813
Bark in the Park	\$16,632
Christmas in the Park	\$48,673
Cinequest Film Festival	\$51,653
Community Harvest Celebration	\$3,879
CPAA Spring Festival Silicon Valley	\$5,497
Dancin' on the Avenue	\$16,989
Dia de los Muertos	\$5,477
Dia de Portugal Festival	\$10,000
Downtown Ice	\$48,673
Fiesta Navideña	\$5,477
Guitar Solo & Ensemble Festival	\$4,500
Italian Family Festa	\$13,955
La Ultimada Parada	\$10,000
Luna Park Chalk Art Festival	\$5,000
Music in the Park	\$20,022
Nikkei Matsuri SJ Japantown	\$5,477
Opera in the Park	\$4,564
Rotary Fireworks	\$15,472
Rose, White and Blue 4th of July Parade	\$13,813
San Jose Fountain Blues Festival	\$15,472
San Jose Jazz Summer Fest	\$49,667
San Jose Jazz Winter Fest	\$13,813
San Jose Poetry Festival	\$4,564
Sevathon 2017	\$5,000
Silicon Valley African Film Festival	\$15,472
Silicon Valley Bikes! Festival and Bike Show	\$4,625
Silicon Valley Jewish Film Festival	\$12,438
sjDANCEco Dance Festival	\$6,906
SJZ Boombox Concert Series	\$15,000
SoFA Street Fairs 2017-18	\$10,571
Street Market/SubZero	\$15,472
TET Festival	\$2,819
Veterans Day Parade	\$10,571
Willow Glen BBQ Competition	\$5,000
4th Family Fun & Fireworks	\$6,906
<b>Total FPC Grants Proposed:</b>	<b>\$524,783</b>

## Proposed 2017-2018 Arts and Cultural Grants Recommendations

<b>4th of July Celebration Grants</b>	<b>Grant Amount</b>
Rose, White and Blue 4th of July Parade	\$5,000
Rotary Fireworks	\$50,000
4th Family Fun & Fireworks	\$15,000
<b>Total 4th of July Celebration Grants Proposed:</b>	<b>\$70,000</b>

<b>take pART Grants</b>	<b>Grant Amount</b>
Alum Rock Educational Foundation	\$10,776
American Beethoven Society	\$13,470
Cambodian American Resource Agency	\$9,576
Chamber Music Silicon Valley	\$4,480
College of Adaptive Arts	\$2,500
Dancing Sun Foundation	\$3,140
East Side Community Arts	\$7,584
Exhibition District	\$10,470
Gilbert & Sullivan Society of San Jose	\$10,470
iCAN (International Children Assistance Network)	\$14,220
Media Poetry Studio	\$8,711
Mexican Heritage Corporation	\$14,220
New Ballet School	\$10,470
Northern California Chinese Chorus Alliance	\$7,485
Northside Theatre Company	\$11,970
Opera Cultura	\$13,470
P.A.R.T.I. Program	\$10,120
Sangam Arts	\$6,720
San Jose Center for Poetry and Literature	\$11,850
San Jose Chamber Music Society	\$13,470
San Jose Choral Project	\$10,470
San Jose Downtown Foundation	\$14,220
San Jose International Piano Competition	\$11,970
San Jose Youth Shakespeare	\$9,975
SCVPAA for Mission Chamber Orchestra	\$11,970
SJSURF for Center for Literary Arts	\$10,470
South Bay Guitar Society	\$13,470
Teatro Vision	\$14,220
Winchester Orchestra	\$8,725
Works/San Jose	\$8,725
<b>Total take pART Grants Proposed:</b>	<b>\$309,387</b>

## Proposed 2017-2018 Arts and Cultural Grants Recommendations

<b>Creating Connection Grants</b>	<b>Grant Amount</b>
Alum Rock Educational Foundation	\$8,000
Children's Discovery Museum	\$8,000
City Lights Theater Company	\$8,000
CreaTV	\$8,000
MACLA	\$8,000
New Ballet School	\$8,000
Opera San Jose	\$8,000
San Jose Chamber Orchestra	\$8,000
San Jose Institute of Contemporary Art	\$8,000
San Jose Jazz	\$8,000
San Jose Museum of Art	\$8,000
San Jose Museum of Quilts and Textiles	\$8,000
Teatro Vision	\$8,000
Tech Museum	\$8,000
Vivace Youth Chorus	\$8,000
<b>Total Creating Connection Grants Proposed:</b>	<b>\$120,000</b>

<b>Capitalization &amp; Sustainability Grants</b>	<b>Grant Amount</b>
MACLA	\$40,000
San Jose Jazz	\$40,000
San Jose Museum of Art	\$40,000
San Jose Stage Company	\$40,000
San Jose Taiko	\$40,000
<b>Total Capitalization &amp; Sustainability Grants Propos</b>	<b>\$200,000</b>

<b>Other Grants</b>	<b>Grant Amount</b>
San Jose Jazz - Jazz Week	\$2,500
<b>Total Other Grants</b>	<b>\$2,500</b>