



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Kim Welsh

**SUBJECT: PROPOSED 2018-2019 TRANSIENT  
OCCUPANCY TAX FUNDED ARTS  
AND CULTURAL DEVELOPMENT  
GRANTS**

**DATE:** May 24, 2018

Approved

Date

5-24-18

## RECOMMENDATION

Approve the proposed 2018-2019 funding allocations for Transient Occupancy Tax (TOT) funded arts and cultural grant awards for a total amount of \$4,249,427.

## BACKGROUND

Fifteen percent (15%) of the collected TOT allocated to the Transient Occupancy Tax Fund 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 2018-2019 *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 competitive 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 José 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 José;
- 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 arts activities offered by volunteer-driven arts organizations, community service organizations, and very small semi-professional and professional arts organizations.
- Capitalization and Sustainability Grants support 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.

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In the 2018-2019 Proposed Operating Budget, the recommended grant awards total \$4,249,427.

The recommended grants include:

- Twenty-nine (29) Operating Grant awards in the amount of \$3,132,897;
- Forty-four (44) Festival, Parade & Celebration Grant awards in the amount of \$608,330;
- Twenty-four (24) *take pART* Grant awards in the amount of \$313,200;
- Five (5) Capitalization and Sustainability grants in the amount of \$175,000; and,
- Two (2) Fourth of July Celebration Grants in the amount of \$20,000.

As part of the Council-approved Mayor's March Budget Fiscal for Fiscal Year 2018-2019, it was directed that the City support the Rotary 2018 Fourth of July Fireworks event. The event is being supported in the amount of \$120,000 from 2017-2018 appropriations to enable Rotary sufficient time to plan and coordinate. Of the \$120,000, \$40,000 is funded via transfer from the General Purpose Parking Fund, and \$80,000 is allocated from the existing Cultural Grants appropriation for 2017-2018.

***Arts Commission Recommendation***

At the May 21, 2018 meeting, the Arts Commission reviewed the proposed 2018-2019 funding allocations for Arts and Cultural Development Programs and Services, including recommended grants. The Arts Commission recommended that the City Council approve the recommended 2018-2019 grant awards.

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 2018-2019 Cultural Funding Portfolio Grant Awards

<b>Operating Grants</b>	<b>Grant Amount</b>
Abhinaya Dance Company of San Jose	\$42,798
Aimusic School	\$54,335
Bay Area Glass Institute	\$85,711
Children's Discovery Museum of San Jose	\$237,277
Children's Musical Theater San Jose	\$214,031
Chinese Performing Arts of America	\$80,129
Cinequest Film Festival	\$150,072
City Lights Theater Company of San Jose	\$90,930
Kaisahan of San Jose Dance Company	\$33,423
MACLA/Movimiento de Arte y Cultura Latino Americana	\$108,165
Opera San Jose	\$260,949
San Jose Chamber Orchestra	\$55,113
San Jose Institute of Contemporary Art	\$96,148
San Jose Jazz	\$197,281
San Jose Multicultural Artists Guild	\$18,793
San Jose Museum of Art	\$289,877
San Jose Museum of Quilts & Textiles	\$86,737
San Jose Stage Company	\$103,981
San Jose Symphonic Choir	\$24,694
San Jose Taiko	\$72,471
San Jose Youth Symphony	\$112,617
School of Arts and Culture at MHP	\$181,293
Silicon Valley Shakespeare	\$30,638
sjDANCEco	\$23,057
Starting Arts	\$111,520
Steinway Society - The Bay Area	\$19,231
Symphony Silicon Valley	\$236,286
The Tabard Theatre Company	\$78,133
Vivace Youth Chorus	\$37,207
<b>Total Operating Grants Proposed:</b>	<b>\$3,132,897</b>

<b>Festival, Parade and Celebration (FPC) Grants</b>	<b>Grant Amount</b>
AIMusic International Festival	\$10,626
Almaden Art & Wine Festival	\$12,328
Bark in the Park	\$15,856
Christmas in the Park	\$55,000
Cinequest Film Festival	\$54,729
Conscious San Jose	\$4,845
CPAA Spring Festival Silicon Valley	\$8,800
Debutante Ball 2018	\$2,500
Dia de los Muertos (SJDA)	\$12,000
Dia de los Muertos (SJMAG)	\$10,000
Dia de Portugal Festival	\$10,000
Downtown Ice	\$51,444
Fiesta Navideña	\$6,060
Guitar Solo & Ensemble Festival	\$3,500
International Children's Festival	\$3,505
Italian Family Festa	\$16,000
Juneteenth	\$15,856
La Ultimada Parada	\$14,092
Little Italy Festival	\$3,505
Luna Park Chalk Art Festival	\$6,000
Music in the Park	\$20,130
Nikkei Matsuri SJ Japantown	\$5,150
Post Street Jubilee	\$2,716
Pumpkins in the Park	\$5,150
Rose, White and Blue 4th of July Parade	\$7,036
San Jose Fountain Blues Festival	\$15,856
San Jose Jazz Summer Fest	\$56,919
San Jose Jazz Winter Fest	\$14,092
San Jose Poetry Festival	\$5,000
Sevathon 2018	\$9,104
Silicon Valley African Film Festival	\$20,510
Silicon Valley Bikes! Festival and Bike Show	\$5,000
Silicon Valley Jewish Film Festival	\$18,000
Silicon Valley Pig Jig	\$2,500
Silicon Valley Pride Parade and Festival	\$20,510
sjDANCEco Dance Festival	\$5,150
SJZ Boombox Concert Series	\$18,609
SoFA Street Fairs 2018-19	\$12,328
Street Market/SubZero	\$15,187
Trung Thu Children's Moon Festival	\$2,500
VAR's Black April Commemoration	\$2,500
Veterans Day Parade	\$14,092
Willow Glen BBQ Competition	\$4,845
5th Family Fun & Fireworks	\$8,800
<b>Total FPC Grants Proposed:</b>	<b>\$608,330</b>

<b>take pART Grants</b>	<b>Grant Amount</b>
Alum Rock Educational Foundation	\$14,250
American Beethoven Society	\$15,000
Cambodian American Resource Agency	\$8,200
Chamber Music Silicon Valley	\$14,250
East Side Community Arts	\$9,500
Gilbert & Sullivan Society of San Jose	\$13,500
iCAN (International Children Assistance Network)	\$13,500
New Ballet School	\$15,000
Northern California Chinese Chorus Alliance	\$10,500
Northside Theatre Company	\$14,250
Opera Cultura	\$15,000
Sangam Arts	\$15,000
San Jose Center for Poetry and Literature	\$12,500
San Jose Chamber Music Society	\$14,250
San Jose Choral Project	\$13,500
San Jose Downtown Foundation	\$15,000
San Jose Youth Ballet	\$7,500
San Jose Youth Shakespeare	\$13,500
SCVPAA for Mission Chamber Orchestra	\$13,500
SJSURF for Center for Literary Arts	\$15,000
South Bay Guitar Society	\$13,000
Teatro Vision	\$15,000
Winchester Orchestra	\$11,250
Works/San Jose	\$11,250
<b>Total take pART Grants Proposed:</b>	<b>\$313,200</b>

<b>Capitalization &amp; Sustainability Grants</b>	<b>Grant Amount</b>
Bay Area Glass Institute	\$36,000
Children's Discovery Museum	\$37,100
San Jose Museum of Quilts and Textiles	\$40,000
Tabard Theatre Company	\$37,200
Symphony Silicon Valley	\$24,700
<b>Total Capitalization &amp; Sustainability Grants Proposed:</b>	<b>\$175,000</b>

<b>July 4th Celebration Grants</b>	<b>Grant Amount</b>
Rose, White and Blue 4th of July Parade	\$5,000
4th Family Fun & Fireworks	\$15,000
<b>Total July 4th Celebration Grants Proposed:</b>	<b>\$20,000</b>

<b>Grand Total</b>	<b>\$4,249,427</b>
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