

Art Budget for FY 2022-2023

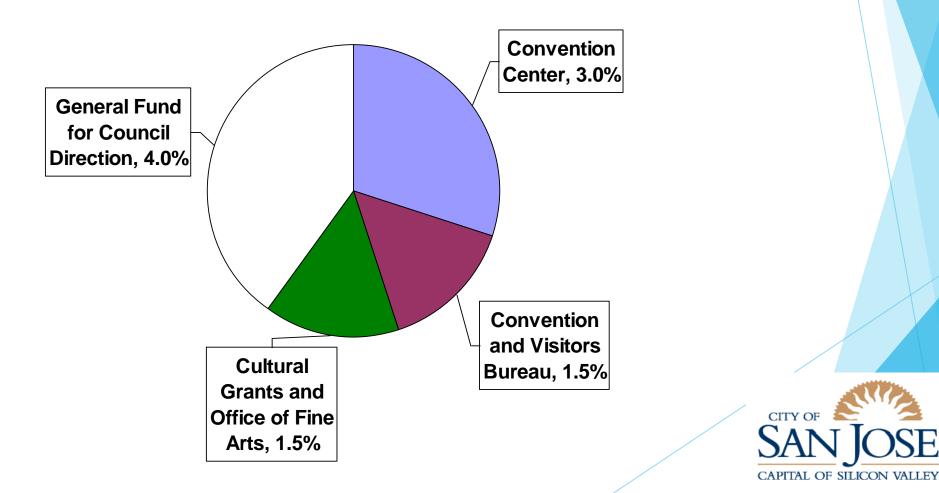
How Arts and Culture are Funded & Annual Funding Process

Primary Municipal Funding Sources for Arts, Culture, & Cultural Facilities

- 1. 10% Transient Occupancy Tax (TOT) of which OCA receives 15%
 - Funds cultural programs, projects, public art maintenance & OCA admin
- 2. 1% for Public Art, sets aside 1% of eligible City CIP Projects (RWF exemption)
 - Funds public art for designated capital projects
- 3. 10% TOT of which 40% goes to General Fund
 - Funds City-owned cultural facility capital repair/maintenance \$400k annually
- 4. 10% TOT of which 45% goes to Team San Jose
 - Funds Team San Jose managed City-owned convention and cultural facilities (four theaters)
- 5. General Fund City-Wide
 - Funds 6 City-owned cultural facility O&M agreements with nonprofit partners

San Jose's 10% Transient Occupancy Tax

Does not include HBID 4% assessment



Per Ordinance: How Arts TOT Can Be Spent

Section 4.72.060.2 Use of TOT Tax Revenue:

"Funding of the cultural grant program and fine arts division programs, including:

a) **Funding of cultural grants**, including the San Jose Symphony and the San Jose Museum of Art, and a rental subsidy for cultural use of city facilities, and

b) **Funding the expenses of the fine arts division** of the convention and cultural department, including but not limited to personal, nonpersonal, and equipment expenses, fringe benefits, and overhead."

CITY OF SAN JOSE ANNUAL BUDGET PROCESS

	RESIDENTS	MAYOR & CITY COUNCIL		
October	Input on Budget Priorities and Direction Through: Direct contact with Mayor and City Council Community-Wide Surveys and Meetings	Review of Prior-Year Financial and Service Results Provides feedback and guidance to Administration on service priorities	Annual Report of Prior-Year Financial and Service Results Report to City Council and Community on results achieved	
November December January			Preliminary General Fund Forecast and City Service Area (CSA) Budget Proposal Submittal In context of forecast, CSAs develop service delivery and investment strategies for upcoming budget process	
Pebruary		Council Priority Setting Process Develop budget priorities for the City based on input from the Community, Staff, and City Council	Transmit to Council City Manager's Budget Request and Final 5-Year Forecast and Revenue Projections for the General Fund and Capital Improvement Program Projects revenues for next 5-year period Projects General Fund expenditures at amounts that allow same service level as previous year	
March	Public Hearing on Mayor's March Budget Message City Council meets to receive public input on Mayor's March Budget Message	Mayor's March Budget Message Provides more specific direction for preparation of the Proposed Budget	Finalize City Manager's Proposed Budget/Capital Improvement Program CSAs incorporate strategic planning and City Council direction into results-driven spending plans Analyze budget strategies and other service delivery options within context of fiscal outlook	
April				
May	Initial Public Hearing on Proposed Budget City Council meets to receive public input on Proposed Budget	Review Proposed Budget in Budget Study Sessions Working sessions with City Manager, CSA and department representatives to review details of the Proposed Budget	Release City Manager's Proposed Budget/Capital Improvement Program Provide strategic service planning context and City Administration's proposed revenue projections and balanced spending plan	
		Release of City Council Budget Documents Requested reports and amendments to the Proposed Budget	Release of City Manager's Budget Addenda Administration's reports and amendments to the Proposed Budget are submitted for City Council review	
June V	Final Public Hearing on Proposed Budget Last opportunity for public input on Proposed Budget	Mayor's June Budget Message Changes to Proposed Budget based on feedback from City Council and public		

Final City Council Budget Adoption

FY 2022-2023 Direction and Allocations

Direction in Mayor's March Budget Message

- Buttress Cultural Funding Portfolio with 1 x allocation
- \$1 M 1:1 challenge grant to School of Arts and Culture at MHP for expansion
- \$100,000 for Downtown Ice capital improvements (Parking Fund)
- \$75k special grant to relaumch Cinequest Film Festival
- Allocate \$1.2 M for Abierto for festivals/arts groups and partnerships - to be managed by PRNS (March)
- Allocate 1 x funding to to support Abierto supporting arts and cultural organizations (specific criteria provided)

Proposed Available Funding

Estimated Projected and Reserved TOT \$5465570 Projected ARP Funds \$2,000,000 Less Admin Costs \$2325,247 Less 15% Contingency \$647,158

\$4,818,412 in estimated available funding

Art Allocations for OCA Programs

Proposed FY 2022-2023 TOT and ARP Allocations for OCA Cultural Programs and Services

	Funding Sources:	American Relief Plan	TOT Funds (Includes One Time Reserve Funds)	2022-2023 TOTALS			
	CULTURAL FUNDING PORTFOLIO						
	Competitive Grant Programs						
1	Festival, Parade & Celebration Grants	0	546,980	546,980			
	Operating Grants	2,000,000	1,018,212	3,018,212			
3	take pART Grants	0	322,333	322,333			
4	Fiscal Capitalization Tech. Assist. Grants	0	200,000	200,000			
5	Creative Entrepreneur Grants (CCI) - 2 Yr	0	50,000	50,000			
6	Creative Industries Incentives (CCI) - 2 Yr	0	50,000	50,000			
7	Grant Review Expenses	0	20,000	20,000			
8	Internat'l Art Exchange Grants Suspend 21-2	0	0	0			
	Sub-Total Competitive Grants	2,000,000	2,207,525	4,207,525			
	CULTURAL DEVELOPMENT AND CULTURAL CONNECTION IMPLEMENTATION (INITIATIVES/GRANTS)						
9	Arts Marketing (Content Magazine)		20,000	20,000			
10	City Hall Art Exhibits		10,000	10,000			
11	Cornerstone of the Arts Award/Arts & Leader	ship Event	30,000	30,000			
12	Creative Expression WeCreate408 Campaign	n/Program	100,000	100,000			
13	Cultural Arts Grants Funding Policy & Strategies		25,000	25,000			
14	Make Music Day (SJ Creates & Connects)		40,000	40,000			
15	Creative Ambassadors		50,000	50,000			
16	Technical Assistance		25,000	25,000			
17	SV Creates Partnership: Economic Impact Study		25,000	25,000			
18	Special Events (City Dance series)		100,000	100,000			
	Sub-Total Cultural Development Impl.	0	425,000	425,000			
	PUBLIC ART						
19	Conservation/Maintenance, Public Outreach, and Policy		80,000	80,000			
20	Sonic Runway Performance Series		75,000	75,000			
	Sub-Total Public Art	0	155,000	155,000			
	SPECIAL ACTIVITIES						
21	Arts Commission Activities		10,000	10,000			
	Sub-Total Special Projects / Activities	0	10,000	10,000			
	Totals	2,000,000	2,797,525	4,797,525			

Questions