



Memorandum

TO: EXECUTIVE COMMITTEE

FROM: Kerry Adams Hapner

**SUBJECT: PROPOSED FY 2023-2024
GRANT AWARDS FOR
OPERATING GRANTS**

DATE: April 28, 2023

RECOMMENDATION

Propose that the Arts Commission recommend that the City Council approve the proposed 35 FY 2023-24 Operating Grant (OpG) awards specified in Attachment A and subject to the availability of funds appropriated in the City's FY 2023-24 Operating Budget.

BACKGROUND

Funded from projected and collected Transient Occupancy Tax receipts and proposed General Funds to stabilize arts and cultural grants in FY 2023-24, Operating Grants (OpG) provide unrestricted financial support for selected San Jose arts organizations at various stages of development.

Operating Grants are intended to support the following goals:

- A sustainable community of stable, debt-free arts organizations that are responsibly governed, well managed and adequately housed; and provide a large and diverse number of opportunities for residents and visitors to enjoy exhibits, performances, and other arts activities, employing professionals to achieve high standards of artistic quality;
- Enriched arts and cultural literacy among residents of all ages through arts education and outreach and opportunities for personal artistic expression and participation; and
- Broad-based, community-wide participation in the arts resulting from a diversity of programming with accessibility to all people, regardless of income, background, and abilities.

Qualified OpG applicants have the opportunity to submit applications in two-year cycles (also known as "two-year applications"), provided that they meet certain financial criteria. This opportunity rotates on alternate years based on budget size; qualified organizations with budgets \$750,000 and higher are eligible to submit two-year applications, and in the next year, organizations with budgets under \$750,000 are eligible.

OpG funding levels are designed to result in a generally decreasing proportion of City support as organizations' budgets grow. In all cases, OpG support represents a small fraction (typically around 4 to 15 percent) of a grantee's finances, with the fraction proportionally decreasing as the organization's overall budget increases along with its capacity to raise funds from outside sources.

ANALYSIS

The Office of Cultural Affairs (OCA) received 22 applications for the FY 2023-24 OpG program of which 21 were eligible for panel review. The recommended amount available for granting in the OpG program is \$3,155,500.

Grant Review Panel and Evaluation Criteria

The grant review panel was comprised of the following experienced arts management professionals and a representative of the Arts Commission:

- **Peter Allen**, *Community Member*
- **Smita Garg**, *Commissioner – San José Arts Commission*
- **Eduardo Robles**, *Communications Manager – Californians for the Arts*
- **Viridiana Romero**, *Manager of Strategic Initiatives – Northern California Grantmakers*
- **Shelby Taketa**, *Commissioner – San José Arts Commission*

The qualifications for each review panelist are described in Attachment B.

The Grant Review Panel ("Panel") met on March 29 and 30, 2023 to complete its evaluation of the OpG applications. The Panel's task was to evaluate whether an organization merits funding based on the four criteria contained in the OpG guidelines:

- **Artistic Program (30%)**
- **Operational Effectiveness (30%)**
- **Community Impact (30%)**
- **Economic Impact (10%)**

Key elements of the above evaluation criteria are outlined in the 2023-24 OpG guidelines.

Grant Reference Amount (GRA) & Inverse Proportionality

In the OpG Program, an organization does not request a specific grant amount in its grant application. Instead, once the amount of funds available for granting is known, a preliminary grant amount is administratively generated based on an organization's cash operating expenses averaged over the past three fiscal years.

Typically ranging from about four to fifteen percent of an organization's cash expenses (averaged over three completed fiscal years), this preliminary grant amount, called the "Grant Reference Amount" (GRA), is **inversely proportional** to an organization's budget. For example, an organization with a larger budget will have a GRA that is a lower percentage of its budget, while an organization with a smaller budget will have a GRA that is a higher percentage of its budget. This inverse relationship is in recognition of the fact that larger organizations have greater institutional capacity to fundraise compared to smaller organizations. Although a smaller percentage of their budget, the actual grant size of larger organizations turns out to be a significant amount of money because of their larger budget size.

After the panel evaluates each application, the organizations are grouped into similar scoring clusters and then are considered for a funding recommendation, which comes in the form of a percentage adjustment to their preliminary GRA – either 100% of their GRA, a greater-than-100% of their GRA or a less-than-100% of their GRA.

Grant Panel Recommendations

The scores of the applications ranged from 97.1 to 79.1 out of a maximum total of 100. Based on the distribution of these scores, the panel recommended percentage adjustments to the GRA ranging from 115% to 90%. In its review, the panel found that all 21 eligible applicants merited funding.

Two-Year Grantees

Additionally, fourteen FY 2022-23 OpG grantees who met the two-year eligibility to roll over their grant reference amount percentage from the previous grant cycle are also included on the proposed list of FY 2023-24 Operating Grant Awards. With the panel recommended 21 applications, combined with the 14 two-year grantees, the total number of proposed Operating Grant awards for FY 2023-24 is 35.

At their March 20, 2023 meeting, the Arts Commission recommended that 77.25% of the available funds in the Cultural Funding Portfolio be allocated to the OpG program. This recommendation results in \$3,000,000 being available for OpG. The recommendations are contained in Attachment A of this memo.

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PUBLIC OUTREACH

Notices of granting opportunities were distributed to the OCA's e-mail contacts lists, posted on the OCA website, uploaded on the City of San José WebGrants platform, and shared via social media.

/s/

KERRY ADAMS HAPNER

Director of Cultural Affairs

Attachments:

- A. List of proposed FY 2023-24 panel recommendations for Operating Grants including 2-Year OpG Grantees (by alphabetical order)
- B. FY 2023-24 Operating Grant Panel Qualifications

ATTACHMENT A: FY 2023-24 Operating Grant Recommendations

Applicant (Alphabetical Order)	Application Score	Percentage of Reference Grant Amount Recommended	FY2023-24 Grant Amount Recommended
Children’s Discovery Museum of San Jose	88.9	105%	\$168,820
Children’s Musical Theater San Jose	87.7	105%	\$208,205
Cinequest Film Festival	85.6	100%	\$125,699
City Lights Theater Company of San Jose	88.6	105%	\$102,024
Local Color	93.4	112%	\$59,168
MACLA/Movimiento de Arte y Cultura Latino Americana	94.0	112%	\$100,259
Mosaic America	92.0	108%	\$45,426
New Ballet	87.2	105%	\$124,590
Opera San Jose	91.8	108%	\$231,336
San Jose Choral Project	81.1	90%	\$18,335
San Jose Institute of Contemporary Art	83.3	102%	\$112,018
San Jose Jazz	92.9	112%	\$190,369
San Jose Museum of Art	92.8	112%	\$232,935
San Jose Museum of Quilts & Textiles	81.9	90%	\$71,924
San Jose Stage Company	83.2	100%	\$89,033
San Jose Youth Symphony	79.1	90%	\$91,653
School of Arts and Culture at MHP	97.1	115%	\$250,728
School of Visual Philosophy	84.7	100%	\$19,621
sjDANCEco	80.3	90%	\$21,968
Starting Arts	83.8	100%	\$156,811
Symphony San Jose	83.9	100%	\$184,411
TOTAL FY 2023-24 OpG Applicants:			\$2,605,333

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2-Year Grantees (Alphabetical Order)	Percentage of Reference Grant Amount Recommended	FY2023-24 Grant Amount Recommended
Abhinaya Dance Company of San Jose	100%	\$30,549
Kaisahan of San Jose Dance Company	100%	\$19,902
Aimusic	100%	\$64,263
Bay Area Glass Institute	100%	\$77,801
Cashion Cultural Legacy	104%	\$28,360
Chinese Performing Arts of America	95%	\$46,335
San Jose Chamber Orchestra	102%	\$47,307
San Jose Symphonic Choir	90%	\$14,686
San Jose Taiko	110%	\$69,699
San Jose Multicultural Artists Guild	100%	\$28,823
Steinway Society – The Bay Area	95%	\$18,951
Silicon Valley Shakespeare	100%	\$31,683
Teatro Vision	100%	\$38,347
Vivace Youth Chorus	100%	\$33,461
TOTAL 2-YEAR GRANTEES:		\$550,167
TOTAL OPG GRANTS PROPOSED:		\$3,155,500

**ATTACHMENT B: FY 2023-24 Operating Grants
Grant Review Panel Qualifications**

Peter Allen

Community Member

Mr. Allen is a third-generation San José resident with deep roots in the community. In addition to managing his own consulting practice for more than a decade, Peter has proudly served as communications lead for former San José City Councilmember Raul Peralez, the San José Public Library Foundation, and San José Unified School District, where he directed internal and external communications for 41 schools, 4,000 employees, and 25,000 families. A former Chair of the City of San José's Arts and Planning Commissions, Peter has spent the past dozen years as a Board Member and volunteer Managing Director of Teatro Visión, a Latinx/Chicanx theater company nurturing arts and opportunity in underserved San José communities. He is a founding member of San José Arts Advocates and can occasionally be found playing electric bass and singing karaoke. He graduated from Bellarmine College Preparatory in San José and received a Bachelor of Fine Arts degree in screenwriting from the University of Southern California.

Smita Garg

Commissioner – San José Arts Commission

Ms. Garg is a Bay Area artist and arts educator with over 20 years of teaching experience. Having received a doctorate in Art Education from UIUC, she loves to create youth-centric programs based firmly in both research and extensive classroom teaching experience. Her work with children covers academic creative/expressive as well as therapeutic aspects of art making.

Smita draws her influences from various subject areas, cultures, and art forms in her curriculum development and lesson planning. Her work has been published and presented at national and international conferences. Her engagement with local community and educational foundations is extensive. She currently is on the City of San José Arts Commission representing District 1 where she has held the position of Chair and has served on the Executive and Public Art Committees.

Eduardo Robles

Communications Manager – Californians for the Arts (CFTA)

Mr. Robles works to advance programs and policies that bring greater equity and inclusion to the field of arts, culture, and creativity. He formerly served as an Arts Associate for the City of Los Angeles Department of Cultural Affairs, administering the National Endowment for the Arts (NEA) Our Town grant Promise Zone Arts and assisting the agency's global cities and cultural policy initiatives. Prior to this position, Eduardo was a graduate student intern at the City of Providence Department of Art, Culture + Tourism, specializing in public art policy, community planning, and creative placemaking. He currently serves as a Committee Co-Chair for Partnerships and Resourcing with the Creative States Coalition and liaises CFTA's Racial and Cultural Equity Committee. Eduardo earned a B.A. in History from the University of California, Santa Cruz, and an M.A. in Public Humanities from Brown University.

Viridiana (Viry) Romero

Manager, Strategic Initiatives – Northern California Grantmakers

Ms. Romero is the Manager of Strategic Initiatives at Northern California Grantmakers (NCG) where she manages and develops philanthropic programs, collaboratives, and networks to help advance NCG's collective impact in the region, including the Arts Loan Fund. She also serves as advisor and former Program Director at Blue Heart, which funds grassroots organizations and social justice art collaborations.

Viridiana most recently served as Portfolio Manager in Immigration at Emerson Collective, leading philanthropic investments championing immigration reform, and managed grantee capacity-building programs as Manager of Philanthropy Programs. She kicked off her career in philanthropy at the Sobrato Family Foundation and has a background in program management for youth-based nonprofits, and management and operations in education and career focused tech companies. Viridiana has a Master's in Social Work from the University of Michigan, specializing in management and community organizing and B.A.s in Community Studies and Sociology from UC Santa Cruz.

Shelby Taketa

Commissioner – San José Arts Commission

Currently serving as Arts Commissioner for District 10 in San José, Ms. Taketa is a Cal Poly, SLO graduate with a B.A. in Business Marketing, weaving together her experience as a collegiate athlete, a co-founder in the early dot com, and a world traveler. She blends her dynamic background and varied business experience by using her "always keep evolving" motto.

Sometimes referred to as the "Jill of All Trades," she's a seeker and connector of all possibilities while maintaining core principles for integrating teamwork, creativity, and innovation. Her skills are further threaded together by her love of fashion, music, and tech. Savvy and committed to innovation with a focus on analytics/metrics for organizational growth and success, Shelby's professional experience spans B2B and B2C management of software and business services across all channels, with special emphasis on data-driven website/app development and marketing/advertising campaigns.