



Memorandum

TO: MAYOR REED

FROM: Councilmember Donald Rocha

SUBJECT: BUDGET DOCUMENT

DATE: May 22, 2013

Approved

Don Rocha
PH

Date 5-22-13

RECOMMENDATION

That the following recommendation be enacted.

Proposal

Program/Project Title: **CAPITAL MAINTENANCE AT CITY-OWNED CULTURAL FACILITIES**

Amount of City Funding Required: \$400,000

Fund Type (i.e. General Fund, C&C funds, etc.): General Fund

Proposal Description, including anticipated outcomes (describe how change would affect services for San José residents, businesses, community groups, etc.):

This proposal would designate \$400,000 for urgent maintenance needs at these four City-owned cultural facilities:

- San Jose Museum of Art
- Tech Museum of Innovation
- The Repertory Theater
- The Children's Discovery Museum

These facilities contribute greatly to the cultural and economic life of San Jose. Unfortunately, a number of significant maintenance needs have arisen that are posing challenges for our partners who operate the facilities. As an example of the seriousness of the situation, the Rep has not had heat for 18 months because needed boiler repairs have not been carried out. We may not be able to fund all needed maintenance, but designating \$400,000 for repairs at these four facilities would go some way towards meeting the most urgent needs.

I recommend providing funding for this purpose out of the Economic Development Incentive Fund, established at the amount of \$750,000 in the Successor Agency Pers Levy/Water District Levy General Fund Contingency Plan. These cultural facilities are a key part of our economic development strategy, both because they attract visitors, thereby driving traffic to local business, and because they enhance the quality of life and cultural richness of our community, making it an attractive place to live and do business. Any

investment we make to ensure that these facilities can continue to operate is highly leveraged by the wonderful work of our nonprofit partners who operate the facilities. Helping to ensure the future of our cultural facilities would be a smart and effective investment of our economic development dollars.

Funding Source

- Essential Services Reserve (\$2 million)
- Other (Program/Project/Fund): Economic Development Incentive Fund

Department or Organization: Public Works

Department or Organization Contact (list contact information for the individual that certified cost estimates contained within your recommendation):

Name: Matt Morley

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E-mail address: matt.morley@sanjoseca.gov

This change is:

 X One-time Ongoing

The City Service Area to which the change best relates:

- Community and Economic Development Services
- Environmental and Utility Services
- Neighborhood Services
- Public Safety
- Strategic Support
- Transportation and Aviation Services