LATINO CULTURAL CENTER

ASSUMPTIONS WORKSHOP

Lord Cultural Resources

AGENDA

Introduction and Methodology for Assumptions Development

Presentation: Detailed Models and Centro Cha's Polling

Overview of Assumptions

Breakout Groups

Report Back

Next Steps

Introduction and Methodology

A 6 to 9 Month Process

A Three Phase Process

Phase 1: Concept/Needs Assessment

- Visioning Workshop
- Phase 1 Report

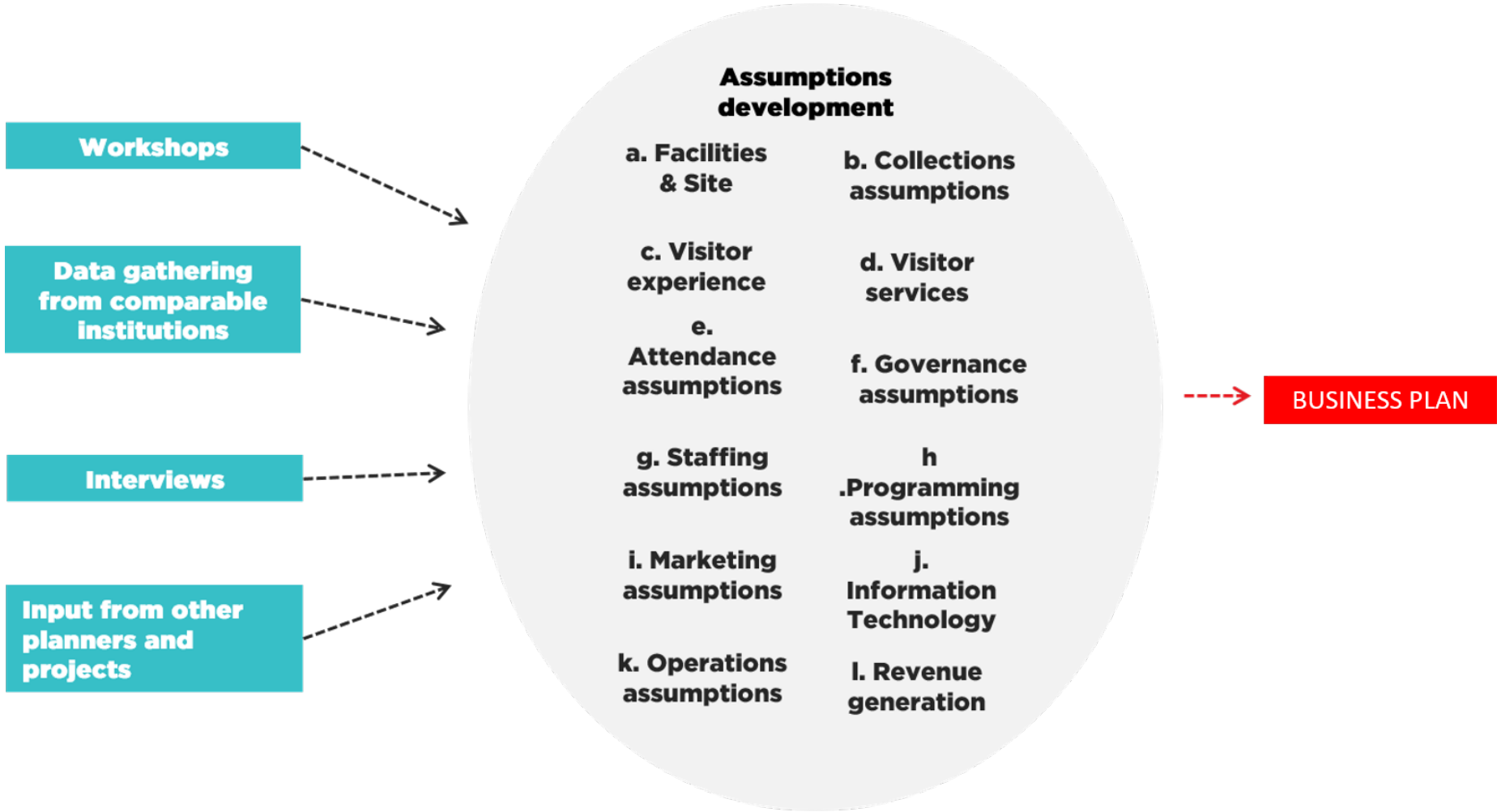
Phase 2: Development Plan

- Best Practice Research and Market Analyses
- Review of Potential Sites
- Contextual Analysis
- Assumptions Report

Phase 3: Cost and Projections

- Order of Magnitude Cost Estimate
- Operating Revenue and Expense Projections
- Draft and Final Reports

Business Plan Methodology



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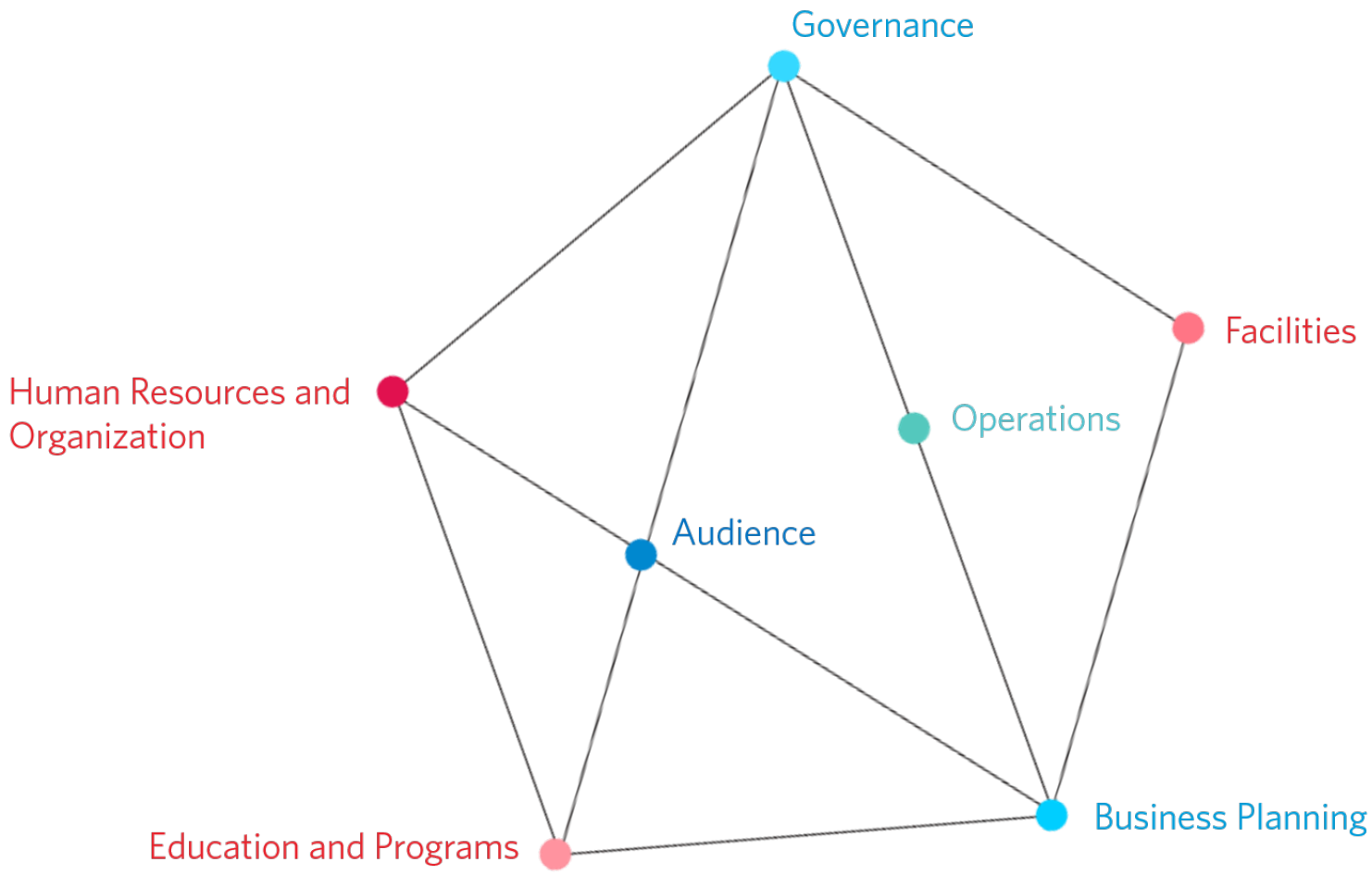
Connecting the Dots



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Presentation of Models

Priorities from Community Engagement and Outreach by Centro Cha

Based on Centro Cha's extensive community outreach & follow-up polling of the Steering Committee these main priorities were identified:

- Facilities/Space: Community Resource Hub; El Mercado; Outdoor Venue and Amphitheatre
- Exhibits & Artwork: Space for local artists; cultural and art exhibits; historic exhibits
- Community Arts, Health & Wellness: Cultural arts; cultural education; health, wellness & nutrition
- Community Education and Economic Development: Student Support & Mentorship; Business Incubator & Workforce Development, Social Assistance Service and Suoport

Four exemplary cultural center and site models were selected by the Steering Committee for best practices & further study...three in California and one in the Southwest - Albuquerque NM

LA Plaza de Cultura y Artes

Location	Los Angeles, CA
Operator	Nonprofit 501(c)3
Governance	Board and staff
Model	Private/Public – official project of LA County
Revenue, FY19	$ $6,073,823
Operating Budget/Expenses, FY19	$ $4,124,841
Total Assets	$28,116,255

LA Plaza de Cultura y Artes

Los Angeles, CA

Sources of Funding:

- Government: 73%
- Private Sector Grants, Donations & Earned Revenue: 27%. (Will increase substantially with LA Plaza Cultura Village partnership)
- Special Exhibitions; Events; Performing Arts; Rentals,
- Partnerships including major partnership for LA Plaza Cultura Village development (projected 13% profit share)

LA Plaza de Cultura y Artes, Los Angeles

- Mission: Honors the past, inspires the future, and recognizes enduring cultural influence of Mexicans, Mexican Americans, and all Latinas/Latinos in LA through transformative exhibitions, programming and educational experiences. Focus is on history, arts, and culture.
- Location: El Pueblo de Los Angeles Historical District
- Population: City of Los Angeles has historically served as the largest population center of Latinos since the city was established in 1781. Its Latino population is projected to reach 53% by 2030.
- Governance: 501(c)(3) nonprofit 18-member board; Remains official project of Los Angeles County
- Staffing: 36+ employees
- Admissions: General Admission Free, Donations accepted; Charges for special/blockbuster exhibitions; performances & special events.
- Attendance: 111,000 visitors (2018)

LA Plaza de Cultura y Artes, Los Angeles

Functions

- Education, Visual Arts, Exhibitions, Public Programming, Performing Arts, Community Services
- Culinary museum & retail and teaching kitchen (planning phase)
- Mercado model: Monthly outdoor Latinx flea market - largest Latinx Pop-up in US - 70 curated local artists & vendors and Latinx food
- La Tienda (gift shop-local goods/small businesses and vendors)
- La Plaza Cultura Village, a $135 million mixed-use earned revenue partnership (13% revenue), including retail shops, restaurants & 341 apartments

LA Plaza de Cultura y Artes, Los Angeles

Facilities: Multiple buildings, several outdoor spaces --a garden, two walkways, and patio with ample parking

- Restored Five-story Vickrey-Brunswig Building, built in 1888; Restored Two-story Plaza House, built in 1883
- Garden: 2.5 acres, outdoor performance stage with space for up to 5,000 people, edible teaching garden, culinary arts programs
- LA Plaza Paseo Walkway: Designed to help visitors learn about Los Angeles history, includes historical signage about the city's past
- North Walkway: 800 occupancy
- Patio: 300 occupancy
- Parking: large parking lot with four other lots near LA Plaza
- LA Plaza Cocina (planned): to be located at LA plaza village, museum and teaching kitchen dedicated to Mexican Cuisine, creating a multi-disciplinary venue featuring Mexico's culinary heritage through exhibitions, cooking classes, lectures, workshops, and culinary festivals

School of Arts and Culture

at Mexican Heritage Plaza

Location	San Jose, CA
Operator	Non-profit 501(c)3
Governance	Board and staff
Model	Private (operations)/Public (city owned facility) and long-term operating agreement
Assets	$7, 334,235
Revenue, FY19	$2,434,663
Budget/Expenses, FY19	$ 2,434,663

School of Arts & Culture at Mexican Heritage Plaza

San Jose, California

- Mission: To catalyze creativity and empower community
- Location: Mayfair neighborhood of east San Jose, California – predominately Mexican American since mid-20th century, working class, cultural hub for first- and second-generation immigrants; On the site of one of the first grocery store boycotts for farm workers' rights organized by César Chavez in the 1960s
- Governance: 501(c)3 nonprofit; 14-member board
- Functions: arts education, community access and engagement, leadership development
- Staffing: 9 employees
- Attendance: 70,000+ annually

School of Arts & Culture at Mexican Heritage Plaza

San Jose, California

Sources of funding:

- Government/City owned facility
- Government: 36% (operating agreement agreement with City of San Jose)
- Private: gifts, donations, grants:$86,411 (fundraising events) + $623,911 (all other contributions, gifts, and grants) = $710,322 (non-government contributions, gifts, and grants)
- Earned revenue: Program, tuition, fees, rentals: $844,007
- Misc. revenue: $15,469

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School of Arts & Culture at Mexican Heritage Plaza

San Jose, California

Functions:

- Arts Education
- Community Access and Engagement
- Leadership Development

School of Arts & Culture at Mexican Heritage Plaza

San Jose, California

Facilities: 6-acre site, 55,000 sq.ft.: class and meeting space; architectural style of traditional Mexican plaza

- *Gardens*: 2,773 sq. ft., 185-person occupancy
- *Theater Stage*: 3,986 sq. ft., 265-person occupancy, 500 fixed seats, 36 ADA seats
- *Theater lobby*: 2,919 sq. ft., 194 occupancy
- *Pavilion*: retractable glass walls, 3,600 sq. ft., 240-person occupancy, 507-person standing occupancy
- *Plaza*: 1,020-person occupancy
- *Plaza Courtyard*: 15,234.38 sq. ft., 1,015 occupancy
- *Gallery*: 1,695 square feet, 113 occupancy
- *Greenroom*: Conference room, 495 square feet, 33-person occupancy
- *Five Classrooms*
- *Dance studio*: 1,294 square feet, 86 occupancy
- *Pantry*: 45 sq. ft.
- *Parking*: 2 lots -- 108 spaces & 156 spaces

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School of Arts & Culture at Mexican Heritage Plaza

San Jose, California

Partnerships: Over 60 major partners – local artists, multicultural institutions, and non-profits

- City and Second Harvest Food Bank – 10,000 boxed meals, 43,000 people during Pandemic
- California Arts Council
- Multicultural Arts Leadership Institute
- Si Se Puede! Collective (SSPC) Partners: Amigos De Guadalupe , Grail Family Services, the School of Arts and Culture , SOMOS Mayfair, Veggielution
- Calpulli Tonalehqueh
- Cashion Cultural Legacy
- Los Lupeños de San José
- Sangam Arts
- San Jose Taiko
- SV Creates

The Unity Council

Location	Oakland, CA
Operator	Non-profit, 501(c)3
Governance	Board and staff
Model	Private/Public
Total Assets	$69,563,994 Total assets $30,023,169 Total Net assets
Revenue, FY19	$ $25,093,580
Expenses, FY19	$ $27,526,838

The Unity Council- Fruitvale, Oakland, CA

- Mission: To promote social equity and improve quality of life by building vibrant communities where everyone can work, learn, and thrive.
- Location: Fruitvale neighborhood is a district in East Oakland
  - Oakland's largest Latinx and Indigenous population
  - Community Resource Center (CRC) – within walking distance of several middle and high schools
  - Once a land of fruit trees/it developed into a center for the Chicano Movement in the late 60s and 70s, including the Brown Berets. Today, population is 56% Hispanic w/many Latino businesses; hosts several annual cultural events, including a Cinco de Mayo parade and a Día De Los Muertos festival
- Governance: Nonprofit organization – 501(c)3, the Spanish Speaking Unity Council of Alameda County, 12-member board of directors.
- Audiences: 8,000 individuals and families annually, 75,000++ for large scale events
- Earned revenue models: farmers market, Fruitvale public market, performing arts/partnership agreements, special and block buster exhibitions, programs, housing and facility rentals.

The Unity Council- Fruitvale, Oakland

Functions:

- Affordable housing & properties
- Career, financial, and housing services
- Education
- Large-scale public events
- Fruitvale Farmer's Market
- Fruitvale Public Market/Mercado model: showcases Latin American flavors and colors, with representative arts and crafts and ethnic foods
- Small business incubator; business technical assistance
- Storefront Space to Micro-enterprises
- Community Services
- Youth Empowerment & Achievement

The Unity Council- Fruitvale, Oakland

Facilities/Site:

- Community Resource Center
  - Fruitvale Neighborhood Career & Resource Center – Multicultural One-Stop Career Center
  - Classrooms
  - Head Start preschool, tax preparation through the Volunteer Income Tax Assistance program (VITA), and financial capability courses
  - Merritt College, which operates within the Peralta Community College Direct, maintains a satellite office on the ground floor of the building and offers ESL classes, enrollment guidance, and course registration

The Unity Council- Fruitvale, Oakland

Facilities/Site (continued)

- Fruitvale Village: a national model of mixed-use development that includes retail spaces, offices, and apartments
  - Offices; retail space for local business and organizations
  - 47 apartments
  - Pedestrian plazas for weekly farmer's markets and other events
  - Fruitvale-San Antonio Senior Center
- Fruitvale Public Market
  - Small business incubator
  - Technical assistance services & affordable storefront space to micro-enterprises
  - 7,000 square feet, indoor outdoor market
  - Currently supports eleven small businesses
  - Showcases Latin American flavors and colors, with representative arts and crafts and ethnic foods

The Unity Council- Fruitvale, Oakland

Facilities/Site (continued):

- Juntos Fruitvale (planned)
  - Flexible, below-market-rate office and meeting space for small businesses, entrepreneurs, and nonprofits
  - Fruitvale Business Assistance Center, which will provide bilingual technical assistance to immigrant and women-owned small businesses in the area
  - Headquarters for the Peralta Service Corporation, a social enterprise and second-chance employer
  - Community meeting and event space for Fruitvale's arts organizations and artists
  - co-working, community, and cultural arts space

The Unity Council- Fruitvale, Oakland

Facilities/Site (continued)

- 2700 International : Commercial development with 28 units
- Parking: Extremely limited – no parking lot - one hour parking on Fruitvale Ave and Foothill Blvd, and limited street parking in residential neighborhoods.
- Residential properties:
  - 1921 36th Ave, 2000 36th Ave, & 2022 36th Avenue: Residential rental properties, low to moderate income tenants, purchases through a combination of funds from sponsors and the City of Oakland
  - Casa Arabella: permanent affordable housing to close to 400 residents in the Bay Area whose household income is at or below 20-60% of the area median income
  - Casa Velasco, Posada de Colores, & Las Bougainvilleas: Affordable senior housing apartments
  - Lorin Station: 14 below-market-rate apartments
  - Rosewood Manor Apartments: 35 low-income apartments

The Unity Council- Fruitvale, Oakland

Sources of funding:

- Real Estate Development and Management – housing & renovation/Masonic Lodge
  - Expenses: $993,002
  - Revenue: $1,676,481
- Child Development – child development centers and home-based programs
  - Expenses: $12,578,677
  - Revenue: $34,785
- Community Programs Department – youth, adult, senior, and small business, & housing assistance
  - Expenses: $3,403,156
  - Revenue: $548,380
- Mission Support Division – financial, administration, and fundraising support, & Annual Dia de los Muertos Cultural Festival
  - Expenses: $86,219
  - Revenue: $1,927,733
- Public Funding: government gifts, grants, and contributions: $14,244,734 = 39.1%
- Private Funding: Major foundations, Private Donors

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The Unity Council- Fruitvale (cont)

Major Partnerships:

- County of Alameda
- City of Oakland
- Oakland Unified School District
- First 5 of Alameda County
- BANANAS (a nonprofit childcare resource and referral agency)
- State of California Employment Development Department
- La Clínica
- Peralta Community College District
- National Compadres Network
- African American Male Achievement (AAMA)
- Alameda County Community Asset Network
- Youth UpRising
- Unidos US
- Centro Community Partners
- MISSSEY, Inc.
- NeighborWorks America

National Hispanic Cultural Center

Location	Albuquerque, NM
Operator	New Mexico State Department of Cultural Affairs
Governance	State appointed board
Model	Public/Private (supported by a 501c3 foundation)
Operating Budget, FY19	Total $3.4M -- $2.3M annual state appropriations; $600K earned
Revenue, FY19	$600K NHCC Foundation/private donations and grants

National Hispanic Cultural Center

Albuquerque, New Mexico

Mission: Dedicated to the preservation, promotion and advancement of Hispanic cultures, arts and humanities; Committed to making a cultural home for the diverse identities that shape the community.

Location: Historic neighborhood of Barelas, an inner-city neighborhood with 70%+ Hispanic population; The development and presence of the NHCC has brought significant economic development and redevelopment to the historic district.

Functions:

- Education w/teaching kitchen, Visual Arts, Exhibitions, Public Programming, Performing Arts, History & Literary Arts w/Library & Genealogy Center, Job Training in arts related fields; Community Services
- Mercado model: Annual Spanish Winter Market hosted in partnership with Spanish Colonial Arts Society – 2-day juried show of traditional and innovative works from New Mexican artists; food; music; demonstrations; panel discussions; workshops
- La Fonda, restaurant
- La Tienda (gift shop-local goods & vendors)

National Hispanic Cultural Center

Albuquerque, New Mexico

- Staffing: 40 employees; 100+ volunteers
- Sources of Funding:
  - Annual state appropriations for operating ($2.3M) and special capital outlay appropriations for exhibitions/facilities
  - NHCC foundation grants and private donations ($1 million annually)
  - Earned Revenue: Admissions, Special Exhibitions, Events, Performing Arts, Rentals ($600K)
- Admissions: Fees for museum, special events, performing arts tickets; Free education and community service programs
- Attendance: 250,000+ (FY19)

National Hispanic Cultural Center (cont)

Facilities

$56 million complex -- 219,000 total square feet; 20-plus-acre campus which includes a plaza, three theaters, art museum, an historic designated building, education center, a library, a genealogy center, & a restaurant. Also houses the Spanish Resource Center, a branch of the Spanish Embassy, and Instituto Cervantes

- Torreón / Vigil Fresco – 4,000 sq. ft. featuring a large -scale concave fresco
- Historic Places: Library & Genealogy Center, Salón Ortega: multipurpose performance and reception space
- La Fonda del Bosque Restaurant – 3,500 square foot dining area
- Plaza Mayor: accommodates 2,500 people
- Art Museum – 11,000 square feet
- Intel Center for Technology & Visual Arts: Administrative offices, NHCC foundation, La tiendita gift shop

National Hispanic Cultural Center (cont)

Facilities continued

- Roy E. Disney Center for Performing Arts – 81,000 square feet
  - Albuquerque Journal Theatre: 1,700 sq. ft. performance area -- 691 seat, 8 dressing rooms, equipped with an orchestra pit and an orchestra shell, Fly loft allows for rapid changes of elaborate scenery, as well as storage of the roof of the orchestra shell
  - Bank of America Theatre: 291 seat
  - Wells Fargo Auditorium: 97 seat
  - Two Rehearsal Areas: floor to ceiling mirrors, dance barres, and acoustic baffle
  - Facilities for set construction and storage
- Pete V. Domenici Education Building – 25,000 sq. ft. - Characterized by a high level of flexibility, the building design accommodates a wide range of technology-based and traditional learning, performance, conference, and large function activities.
  - Education Program , Instituto Cervantes, Spanish Resource Center, Pop Fizz Paleteria
- NHCC Annex: fabrication for exhibitions; staging; and partnership with CNM classes wood carving; fabrication; set and 2D and 3D design; lighting; and other arts related trades
- Paseo del Bosque Bike Trail: Bosque Gallery – 730 feet in length w/outdoor exhibition space along the trail
- Parking: Two large parking lots with handicap

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National Hispanic Cultural Center (cont)

Major Partnerships:

- NM Department of Health
- NM Department of Tourism
- Southwest Airlines
- Heritage Hotels
- National Institute of Flamenco
- Instituto Cervantes & Cultural Office of the Embassy of Spain in Washington, D. C.
- University of New Mexico (UNM)
- Central NM Community College (CNM)
- AmeriCorps/NM Highlands University
- ABQ Water Authority
- Children's Museum of the Arts New York
- Numerous cultural & arts partners for events, programming, and performing arts

Overview of Assumptions

Mission-driven vs. Market-driven

Mission-driven

Less focused on strategies to maximize earned revenue, and concerned primarily with social and cultural mission.

Mixed

A combination of primarily Mission-Driven strategies, with some Market-Driven ones.

Market-driven

Earned revenue generation is a key focus, over social and cultural mission.

Recommendation:

A Mixed model, with Mission-driven programs (education, community, etc.) combined with Market-driven strategies (revenue generation, marketing, etc.).

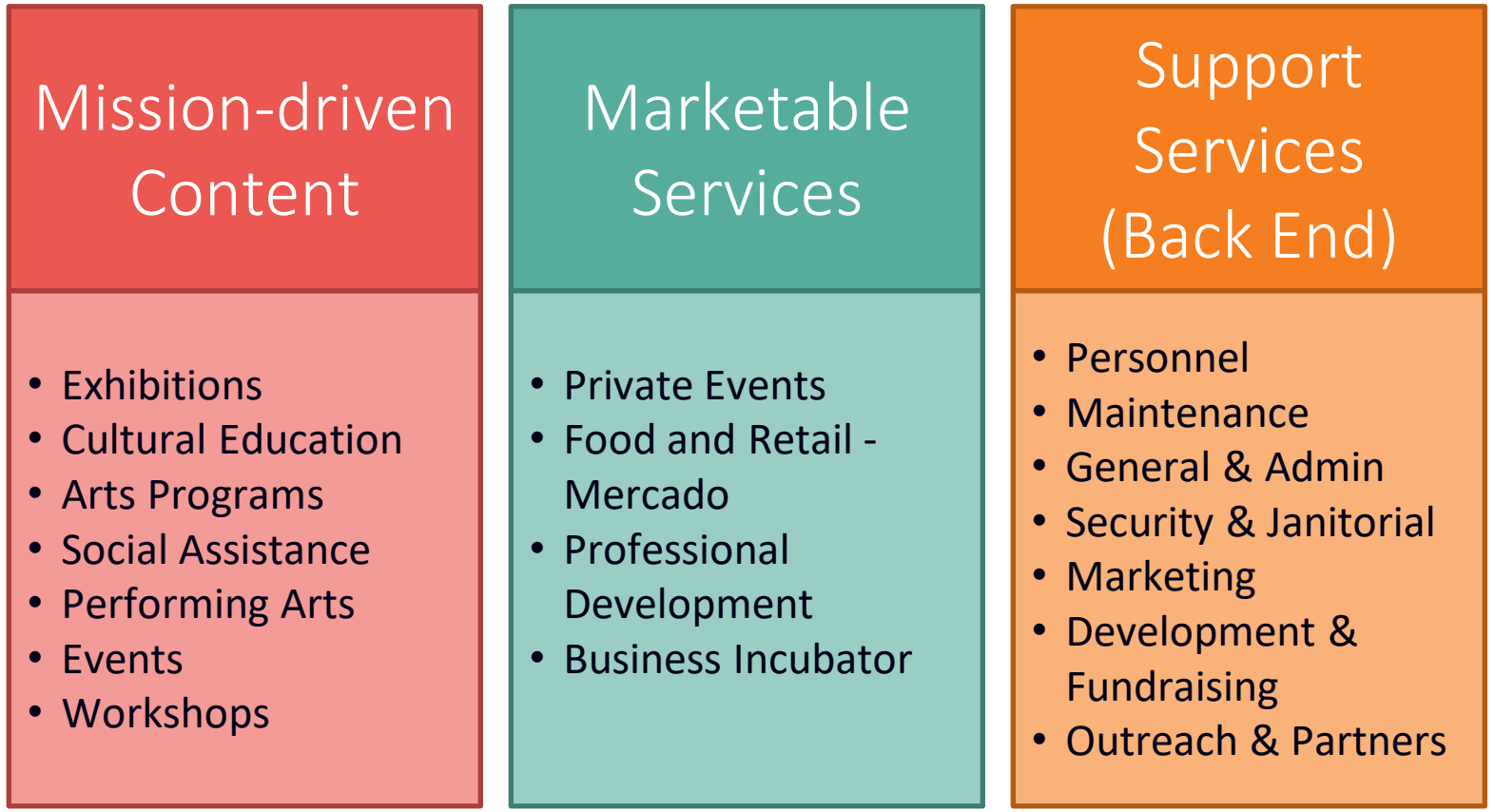
Site & Facility Assumptions

Source: https://longbeachsymphony.org/home/cesar-chavez-park-long-beach/

- Work in progress:
  Cesar Chavez Park,
  repurpose existing building/s…
- Flexibility is key
- Scale has direct implications on maintenance cost
- Phasing

Operational Planning

Functional Areas:



(sample for discussion only)

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Mission-driven Programming

Main cost items to consider:

- Content development / curation
- Facilitation
- Design & production
- Infrastructure & logistics
- Personnel

Permanent vs. Changing content?

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Potential Partnership Assumptions

- Content partners: facilitate workshops, provide training, deliver programs
- Schools & education: Curriculum links, joint projects, resources…
- F&B and retail: local operator
- Travel/tourism agencies: draw groups, promote…
- Other institutions in Long Beach/MSA: Exchange, joint tours, common ticket, transportation…

Earned Revenue & Expenses

Potential earned revenue and operating expense (OPEX) categories to become line items in the Business Plan:

Earned Revenues

- Admissions
- Memberships
- Program & Events
- Facility Rentals/Private Events
- Gala & Auction
- Food & Beverage
- Retail?
- Housing?
- Other / Miscellaneous

Expenses (OPEX)

- Salaries, Wages & Benefits
- Contracted Services
- Occupancy & Maintenance
- Programs & Events
- Exhibition Production & Design
- Marketing & Development
- General & Administrative
- Other/Miscellaneous

(sample only)

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Expenses Overview

- Personnel: tends to be the highest cost in a cultural institution. People-intensive. Split between in-house staff and contractors.
- Occupancy, Maintenance and Utilities: the smaller the building the lower these costs will be, as they are projected on a sqft basis. Outdoors require gardening, landscaping, etc.
- Cultural Programming and Content: from curatorial to design to production to facilitation.
- Administration and General Costs: activities such as travel allocation, office stocks, software, and the like.
- Marketing and Communication Costs: recommended especially until the brand is established.
- Other & Miscellanous.

Entrance Fees: Pros & Cons Analysis

LOW ADMISSION FEES - PROS	LOW ADMISSION FEES - CONS
• Wide access for all income levels • Perception of ownership, public venue, cultural rights • Repeat visitation is encouraged	• Low perception of value and respect towards the experience • Overcrowding • Low potential for revenue generation from admissions
HIGH ADMISSION FEES - PROS	**HIGH ADMISSION FEES - CONS**
• High potential for revenue generation from admissions • High perception of value and respect towards the experience • Control of overcrowding	• Barrier to access by low income groups • Lack of ownership, limitation ot cultural access • Competing options may be more appealing at high price ranges

Earned Revenue: Shop and F&B

Food

- Full service food offering vs. food track vs. pop up vs. snacks machine
- Partnership with local food providers for private events
- Community kitchen + canteen: place for people to eat lunches they bring or cook onsite

Shop - Mercado:

- Community products, in relationship with Mercado / partnerships
- Contracted out, partnership with local companies/vendors

Earned Revenue: Memberships

Typical Tiers:

✓Individual or Family Membership: x3/10 the cost of general admission.

✓Corporate Membership: benefits employees and key clients

Benefits may include:

- Free admission to exhibitions or events
- A discount of 10-30% at food and retail, on registered programs such as workshops, etc.
- Access to exclusive programs and events (pre-openings, conversations with artists, etc.)
- Discounts for private event rentals

External Funding Needs

Cultural institutions rarely break even on operations...

External funding will likely be required. Potential sources include:

- Fundraising (eg. gala)
- Sponsorships
- Grants
- City Contributions
- Endowment Revenue

Breakout Groups

Breakout Groups

1. Facilities
2. Staffing Model
3. Operations
4. Phasing (embedded in all of the above)

Breakout Groups - Facilities & Space

- Do we agree that main / critical functions to consider for spatial design are:
  - Exhibitions gallery (arts, culture, history), classrooms/workshops, flexible space for events & performing arts, community resource desk…
  - Outdoor area
  - Other?
- Scale: how many people do you think should fit in the building (event)? Or how large should it be (sqf)?
- Phasing: What can we do in the immediate future and what can be postponed?

Breakout Groups – Staffing Model

We see two alternative staffing models working (#2 recommended):

1. An organization with a stable body of in-house staff, mediators and facilitators. Salaries & benefits.
2. Contractor-based model with a very lean Admin structure. Contractors hired as needed (exhibition development, docents, trainers, etc).

What expertise do we need to run the Center? In the short term and in the long term.

Role of volunteers?

Breakout Groups – Operations & Funding

- Opening hours:
  - What type of activities belong more in the morning, afternoon and/or evening?
  - Weekdays vs. weekends – how will the audience/needs be different?
  - Should the Center open 10am-6pm, 12pm-8pm, other? Closed when?
- Admission fees and ticketing. What should be free and what charged?
- Role of the City in supporting operationally and financially?

Report Back

Next Steps

Next Steps

- Follow up survey
- Business plan draft

THANK YOU

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