

LATINO CULTURAL CENTER

AD HOC COMMITTEE RECOMMENDATIONS





City of Phoenix

To: City Council
From: Mayor Thelda Williams 
Subject: Latino Cultural Center Ad Hoc Committee

Date: February 28, 2019

Through the 2001 City Bond Program funding was made available for a facility to promote knowledge and appreciation of Latino culture in the City of Phoenix. In 2017, the Phoenix Office of Arts and Culture completed a Capital Needs Assessment and Feasibility Study, including a business plan and evaluation of potential tie-ins with other cultural resources for a new Latino Cultural Center.

At the request of Council, I am establishing an Ad Hoc Committee for the establishment of a Latino Cultural Center in the City of Phoenix to be chaired by Councilman Michael Nowakowski and Councilwoman Felicita Mendoza. The Ad Hoc Committee is to make recommendations concerning the next steps for such a center, including:

1. Develop a strategic plan for the Latino Cultural Center, which will result in business, programming, and partnership and fundraising strategies; and
2. Consider options for siting the Center, based on the 2017 Capital Assessment and Feasibility Study recommendations (multi-use space between 18,000 and 23,000 square feet in downtown Phoenix).

The Ad Hoc Committee will sunset on June 30, 2020 and shall consist of no more than ten members, including the following:

Jose Andres Giron, Artist
George Garcia, Miracle Mile Deli
Cassandra Hernandez, Celebración Artística de las Américas
Larry Ortega, Oblq Art & Luxx
Gabriela Muñoz, Arizona Commission on the Arts
Julian Nabozny, Gaucho Ltd.
Jason Rowley, Phoenix Suns
Erlinda Torres, Arizona Latino Arts and Cultural Center

In addition to the Ad Hoc Committee, members of the public may serve on subcommittees. I also request general staff support for the Committee as well as those with specific expertise from our Phoenix Office of Arts and Culture.

Cc: Ed Zuercher
Deanna Jonovich
Karen Peters
Penny Parrella



City of Phoenix

To: Phoenix City Council
From: Mayor Kate Gallego
Subject: Latino Cultural Center Ad Hoc Committee

Date: August 21, 2019

The Latino Cultural Center Ad Hoc Committee was established in February 2019 to:

1. Develop a strategic plan for the Latino Cultural Center, to result in business programming and partnership and fundraising strategies; and
2. Consider options for siting the Center, based on the 2017 Capital Assessment and Feasibility Study recommendations.

The committee is currently chaired by Councilman Michael Nowakowski, and I am adding Councilwoman Betty Guardado as co-chair.

I am expanding the committee to add the following members to the Latino Cultural Center Ad Hoc Committee:

Dan Carroll, Realty One Group
Deanna Salazar, Blue Cross Blue Shield of Arizona
Elizabeth Toledo, Arizona Latino Arts & Cultural Center
Donna Valdes, XICO Arte y Cultura
Leticia de la Vara, The New Teacher Project

They will join the current members:

Jose Andres Giron, Artist
George Garcia, Miracle Mile Deli
Cassandra Hernandez, CALA Alliance
Larry Ortega, Obliq Art & Luxx
Gabriela Muñoz, Arizona Commission on the Arts
Julian Nabozny, Gaucho Ltd.
Jason Rowley, Phoenix Suns
Erlinda Torres, Arizona Latino Arts and Cultural Center

Cc: Ed Zuercher
Deanna Jonovich
Karen Peters
Penny Parrella
Mitch Menchaca

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OVERVIEW



The City of Phoenix's Latino arts and culture community is rich, vibrant, and ever-evolving. Through a long history of Mexican, Indigenous, and Central and South American presence in the region, as well as contemporary expressions of local, national, and international Latino arts and culture, the artistic and cultural expressions of Phoenix's Latino community are diverse and rich, however, segmented and unexposed. Nearing almost half of Phoenix's total population, a visible Latino arts and culture presence, reflective of the City's residents and experiences, is a vision shared by many.

In 2001, the City of Phoenix's Bond Program made funding available for the renovation and expansion of Museo Chicano, a downtown Phoenix community-based museum that promoted knowledge and appreciation of Latino cultures. The museum presented local and international exhibitions and educational programs on Latino art, history, and culture.

Museo Chicano closed in 2008, and the bond money was held in a reserve for a future capital project that would benefit and showcase the Latino community. In 2016, the Phoenix Office of Arts and Culture secured the services of a consultant to conduct a Capital Needs Assessment and Feasibility Study, including a management/business plan and evaluation of potential tie-ins with other cultural resources. In 2017, the study was released. This process centered around an extensive community input process consisting of over 20 one-on-one interviews, site visits to arts organizations and facilities in Phoenix and surrounding areas, three public town halls, two focus groups, and an electronic survey.

Highlights of the study included:

- A desire for a visible Latino cultural presence in Phoenix at the heart of the city's cultural center.
- The center should be on par and in company with Phoenix's other major cultural institutions and art centers located downtown.
- The building should be no less than 22,000 square feet, have access to programmable outdoor space of ideally 18,000 square feet, and have ample parking for visitors.
- Center programming should include festivals, workshops, classes, artist-led events, lectures, performances, storytelling, and exhibits.
- Two proposed management structures: being an independent nonprofit, or a temporary hybrid structure with a short-term city investment for start-up.

A copy of the full 2017 Capital Needs Assessment and Feasibility Study can be downloaded at www.phoenix.gov/arts/latinoculturalcenter.

THE ISSUE

In early 2019, Mayor Thelda Williams created the Latino Center Ad Hoc Committee to evaluate and make recommendations to the City Council next year about next steps, including possible sites for a center and development of a strategic plan, which will result in business and operating, programming, and partnership and fundraising strategies. The committee is charged with using the 2017 Capital Assessment and Feasibility Study as its roadmap.

The Ad Hoc Committee was originally chaired by District 7 Councilman Michael Nowakowski and former District 8 Councilwoman Felicita Mendoza. In late 2019, Mayor Kate Gallego appointed additional members to the committee and replaced former Councilwoman Mendoza with newly elected District 5 Councilwoman and Vice Mayor Betty Guardado. The Phoenix Office of Arts and Culture provided general staff support to the Ad Hoc Committee, including Mitch Menchaca, arts and culture director.

The committee met monthly and, in addition, had three working subcommittees (programs & services, fundraising & partnerships, and site & operations). All meetings were open to the public, and community members could participate in any of the three subcommittees.

The Ad Hoc Committee sunset on June 30, 2020. This report details the recommendations provided by the committee to Phoenix City Council on the next steps for the Latino Cultural Center.

Ad Hoc Committee Co-Chairs

- District 5 Councilwoman and Vice Mayor Betty Guardado, Co-Chair
- District 7 Councilman Michael Nowakowski, Co-Chair
- Former District 8 Councilwoman Felicita Mendoza, Former Co-Chair

Ad Hoc Committee Members

- Dan Carroll
- Leticia de la Vara
- Jose Andres Giron
- George Garcia
- Julian Nabozny
- Larry Ortega
- Jason Rowley
- Deanna Salazar
- Elizabeth Toledo
- ErLinda Torres
- Donna Valdes

Community Subcommittee Members

- Joseph Benesh
- Sam Gomez
- Carmen Guerrero
- Johnny Lazoya
- Laura Mendoza
- George Nunes
- Ernie Quiros
- Mario Romero

RESEARCH

To better understand the size and scope of a new center, the committee researched other Latino Cultural Centers nationwide on their programs, operating models, and scale, including Albuquerque, Chicago, Dallas, Denver, Los Angeles, and San Jose. Deeper research of the centers in Albuquerque, New Mexico and Dallas, Texas were reviewed, as they are both government entities versus nonprofit organizations, working with the community to fundraise, program, and build. Ad Hoc Committee chairs and staff also toured these sites and met with their leadership to learn more.

National Hispanic Cultural Center, Albuquerque, NM

The National Hispanic Cultural Center (NHCC) is dedicated to preserving, promoting, and advancing Hispanic culture, arts, and humanities. The 20-acre center presents over 700 events annually and creates the opportunity for thousands more through its art museum, library, genealogy center, theatre, and educational resources. The NHCC is a division of the State of New Mexico Department of Cultural Affairs and is further supported by the National Hispanic Cultural Center Foundation, a 501(c)(3) nonprofit organization.

Capital Project Budget: \$56 million - A public/private venture to fund the facility's construction. A majority of the funds came from the State of New Mexico.

Annual Operating Budget: \$2.8 million (programs, services, and staffing) - NHCC Foundation contributes an additional \$360,000 in program support. The current maintenance needs exceed \$2 million; the state capital improvement program budget supports \$300,000 annually.



Latino Cultural Center, Dallas, TX

The Latino Cultural Center (LCC) is a multidisciplinary arts center and catalyst for preserving, developing, and promoting Latino and Hispanic arts and culture. The LCC is a division of the City of Dallas Office of Cultural Affairs. It receives support from the Friends of the LCC, a 501 (c)(3) nonprofit organization designed to provide financial support and enhance programming. The 27,000-square-foot facility includes a 300-seat theater, art gallery, sculpture courtyards, multipurpose room, and outdoor plaza. The LCC is home to seven performing arts groups, and its gallery hosts six to eight exhibitions annually. The review and site visit of the Dallas Latino Cultural Center reinforced the 2017 Capital Needs Assessment and Feasibility Study's recommendation on the size, programming, and operating model of the new Phoenix Latino Cultural Center.

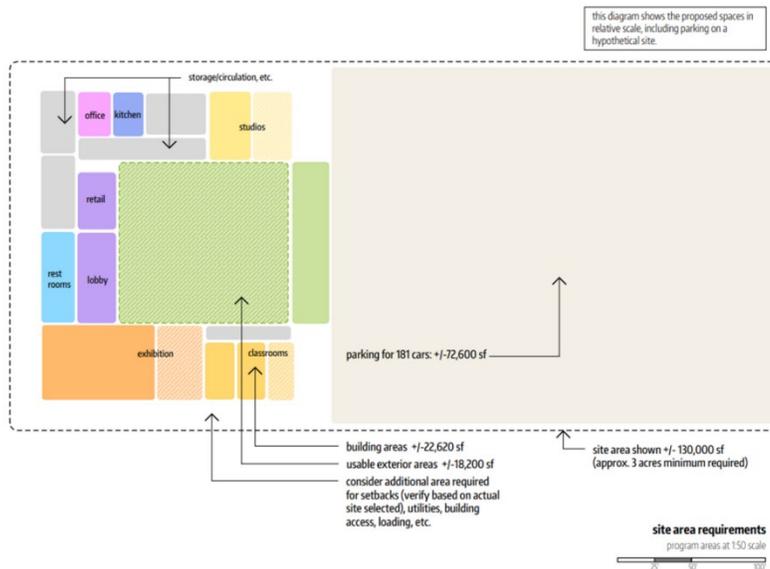
Capital Project Budget: \$9.8 million - \$5.6 million in City Funds and \$4.2 million in private contributions (from the Meadows Foundation and four individuals). The LCC is currently planning a \$5.5 million Phase II expansion paid for by the City's Bond Program.

Annual Operating Budget: \$600,000 (programs, services, and staffing) - Friends of the LCC contributes an additional \$20,000 in program support.

SUBCOMMITTEE WORK

Site and Operations

Early in the process, it was decided by the Ad Hoc Committee that the selection of a site was necessary to move forward with financial and programmatic planning. The 2017 Capital Needs Assessment and Feasibility Study did not select a site. It included a hypothetical site layout showing a building area of approximately 22,000 square feet; 18,000 square feet of programmable outdoor space; and ample parking (diagram below).



The subcommittee initially reviewed a dozen city-owned or operated sites. Members toured three locations early in the process for an initial review of possible sites in and around downtown including Grant Park, the North Building adjacent to Margaret T. Hance Park, and Burton Barr Library. Grant Park and Burton Barr Library were subsequently excluded due to parking limitations and access. Other sites studied were downtown parcels including the grounds adjacent to the Herberger Theater Center, the North Building (at Hance Park), a lot next to the Public Market, and the Regency Garage on the southwest corner of 2nd Street and Adams. Parcels were also discussed outside of downtown including a lot on the

Northeast corner of 7th Avenue and Buckeye, lots in the Sky Harbor International Airport land reuse areas, the former Del Rio Landfill, a lot on the Southeast corner of Broadway and Central Avenue, and a lot the Southwest corner of 5th Avenue and Broadway.

Sites in downtown Phoenix are more compact, urban and allow for smaller land plots that can be built up, while the "suburban" sites require a larger area, with a minimum of four acres to accommodate the square footage and parking requirements recommended for the site. Ultimately, the four downtown sites were presented to the Ad Hoc Committee to review (Herberger Theater Center grounds, North Building at Hance Park, lot next to the Public Market, and the Regency Garage).

Gensler Architects did pro bono work in the summer of 2019 to show how massing could work for each location. Diagrams were presented, along with associated estimated costs and zoning requirements researched by the city's Community and Economic Development and Planning and Development Departments, which came out to \$600 per square foot, comparable to retrofitting other historic buildings such as those in the city's Warehouse District.

The Site and Operations Subcommittee was also tasked with recommending an operating model. Again, the 2017 study proposed two management structures including:

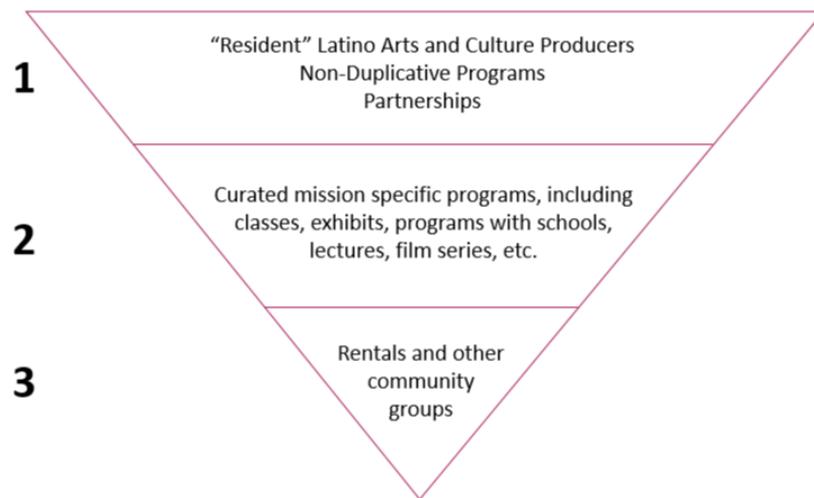
- Independent nonprofit organization
- Temporary hybrid structure with a short-term city investment for start-up

Programs and Services

The Programs and Services Subcommittee's purpose was to advise the Ad Hoc Committee regarding development of the LCC's inaugural community programs, events, and services. The subcommittee focused on not duplicating other programming from the community. The center would be a home for artists and organizations already doing programs and events that create visibility for Latino arts and culture in the community, but additional programming could be curated if necessary.

A programming pyramid was developed for the center. The top of the pyramid includes resident companies, non-duplicative programs, and partnerships. The middle includes additional curated programs, classes, exhibits, programs with schools, lectures, film screenings, etc. The bottom of the pyramid includes rentals or other community groups.

Tiered Programming Pyramid



The 2017 study emphasized programs including festivals, workshops, classes, artist-led events, lectures, performances, storytelling, and exhibits in the LCC. The subcommittee recommended other programs including theatre, film, school programs, artist studios, rehearsal space for practice, and incubation space for administrative offices.

Funding and Partnerships

The Funding and Partnerships Subcommittee aimed to advise the full Ad Hoc Committee on potential corporate, foundation, government, and individual fundraising and partnership opportunities to support the Latino Cultural Center.

The current estimate to rehabilitate the North Building is between \$8 million (Gensler assessment) and \$12 million (original city estimates), with \$2 million of the estimation being for furniture, fixtures, and equipment (FF&E) to ensure the project would be occupiable as soon as possible. The Parks Board requires financial planning updates annually to ensure fundraising goals are on track. If goals are unmet by 2023, the usage agreement will be reevaluated.

The subcommittee decided that before beginning to raise funds, the “what” needed to be created to start making a case, including the location, programs and services, and an operating model. When those criteria were met, the subcommittee met with a capital campaign consultant for a question and answer session before recommending hiring a capital campaign consultant. This consultant will not bid on the project when it goes out for procurement. Procuring a capital campaign consultant can start the planning necessary to raise the funds to rehabilitate the building or other site as directed by the City Council. The capital campaign will include two phases of service, including the following:

- Phase One: A feasibility study to determine the capital that could be realistically raised from all sectors and available sources supporting the Latino Cultural Center.
- Phase Two: Planning and managing the capital campaign if the feasibility study proves the project can progress.

The subcommittee also met with the Arizona Community Foundation (ACF) to explore setting up a collaborative fund. Contributions for the LCC cannot be deposited into City accounts; therefore, the ACF would be a repository to accept tax-deductible donations. Once the account is set up, the ACF accepts donations and provides financial investment management and administrative services. Administrative services include tax and accounting services, invoice payment, donation tax receipts, and online giving processing. An initial deposit of \$25,000 is needed, which can be obtained from bond monies based on advice from the Law Department. There will be an assessed annual fee of one percent of the Fund’s asset value (declining as assets exceed \$3 million) or \$500, whichever is greater. An oversight committee would also need to be established.

City Council approved contracting with a capital campaign consultant to start the project's financial planning and setting up an ACF collaborative fund for the center.

RECOMMENDATIONS AND CONCLUSION

The Latino Cultural Center Ad Hoc Committee makes the following recommendations to the Phoenix City Council:

Site and Operations

- The North Building is recommended and was selected as a site of the Latino Cultural Center out of the city properties toured. However, if circumstances arise and the North Building is ultimately not selected or available, the site location should keep in line with the 2017 Capital Needs Assessment and Feasibility Study's recommendations of:
 - The center should be on par and in company with Phoenix's other major cultural institutions and art centers located downtown.
 - The building should be no less than 22,000 sq. ft., have access to programmable outdoor space of ideally 18,000 sq. ft., and have ample parking for visitors.
- The City of Phoenix should run the Latino Cultural Center with a nonprofit or collective potentially taking over the center's administration.

Programs and Services

- Maximize community impact and create programs that don't duplicate or compete with existing organizations.
- Identify potential programming gaps in the community and be a partner on collaborative events, classes, and services.
- The Phoenix Office of the Arts should coordinate pop-up programs at libraries, community centers, cultural events, and virtually to promote the Latino Cultural Center before it opens.
- Plan and execute an annual cultural festival to increase the visibility of Latino Arts and Culture.
- Maintain a database of Phoenix Latino arts and culture organizations and artists.

Funding and Partnerships

- Set a realistic fundraising goal for capital and operational expenses to draft a fundraising plan to strategically reach financial goals that will speak to donors and patrons beyond the construction phase.
- Contract a capital campaign consultant to help with the fundraising planning, including a fundraising feasibility study to determine the amount of capital that could be realistically raised from all sectors and available sources supporting the Latino Cultural Center, including adding the project in future General Obligation Bond Programs.
- Open a collaborative fund at the Arizona Community Foundation to accept tax-deductible donations of all sizes to meet fundraising goals.
- Appeal to the Parks and Recreation Board for a two-year extension to meet fundraising goals given the pandemic.
- Set up a Friends of Latino Cultural Center 501 C 3 and recruit inaugural board members.

In April 2020, Ad Hoc Committee leadership decided to pause parts of the project due to the COVID-19 pandemic; however, fundraising work should take priority.